FBIS DAILY REPORT

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Vol II No 087 *4 May 1983*

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FURTHER REPORTAGE ON MAY DAY ACTIVITIES

Leaders Attend Parade

AU031035 [Editorial Report] Sofia RABOTNICHESKO DELO in Bulgarian on 2 May carries on pages 1 and 2, a 1,000-word report by Lulivera Krusteva, Zhivko Vladimirov, and Vamyo Stoilov, on the May Day parade held on 1 May in Sofia in 9 September Square in front of the Georgi Dimitrov mausoleum. The reporters describe at length the festively decorated square and the honorary tribune, where large posters with slogans, such as "Proletarians of all countries, unite!" are described and the portraits of "Karl Marx, Friedrich Engels, Vladimir Ilich Lenin, Dimitur Blagoev, and Todor Zhivkov" are reported displayed.

The report notes: "It is 1000 sharp (local time). With prolonged applause all those present greet the following comrades appearing on the honorary tribune: Todor Zhivkov, Grisha Filipov, Petur Tanchev, Stanko Todorov, Todor Bozhinov, Tsola Dragoycheva, Andrey Lukanov, Georgi Yordanov, Petur Dyulgerov, Dimitur Stanishev, Georgi Atanasov, Stoyan Mikhaylov, Misho Mishev, Vasil Tsanov, Chudomir Aleksandrov, Kiril Zarev, as well as Mitko Grigorov, Yaroslav Radev, and Peko Takov, deputy chairmen of the State Council; Grigor Stoichkov, Stanish Bonev, and Georgi Karamanev, deputy chairmen of the Council of Ministers; Stanka Shopova, first secretary of the Komsomol Central Committee; Nikolay Georgiev, Angel Dimitrov, Aleksi Ivanov and Dimitur Karamukov, secretaries of the Bulgarian National Union Permanent Board; Nikolay Dyulgerov, first secretary of the Sofia Okrug Party Committee; and Petur Mezhdurechki, chairman of the Sofia City People's Council Executive Committee."

The remainder of the report is devoted to describing the festive folklore, the youth and workers groups marching past the tribune, and to short reports of interviews with working people telling about their achievements and expressing their enthusiasm about May Day.

Dzhurov Issues 'Order of the Day'

AU030834 [Editorial Report] Sofia NARODNA ARMIYA in Bulgarian on 1 May carries on pages 1 and 3 the 600-word text of an "Order of the Day" issued by Army General Dobri Dzhurov, minister of national defense and Politburo member of the BCP Central Committee, on the occasion of May Day -- the international working people's solidarity holiday.

The Order of the Day is addressed to all generals, officers, sailors, soldiers, as well as workers and employees employed by the Armed Forces and to all soldiers and officers of the reserve. It points out the present-day prosperity of the working people in Bulgaria, achieved thanks to the party's and government's efforts, praises the working people's achievements and mentions future working tasks. The Order of the Day further reads as follows:

"The working people will celebrate the day of international solidarity under the circumstances of a complicated and aggravated international situation this year. The reactionary and obscurantist imperialist forces of the United States and NATO, trying to achieve military superiority, are intensifying the arms race and are carrying out overt material and ideological preparations for war. They are trying to propel mankind into a worldwide, devastating thermonuclear conflagration. They are establishing and keeping up dangerous hotbeds of tension in various areas of the world.

"The soldiers of the Bulgarian People's Army are answering these actions of the reactionary and aggressive forces with a high state of vigilance and selfless efforts to improve the combat readiness of their troops, to consolidate their combat friendship with the fraternal armies, rallied in the Warsaw Pact Treaty Joint Armed Forces, headed by the glorious and invincible Soviet Army."

"Our Army is always ready to accomplish its patriotic and international duty for the defense of peace, progress, and socialism, against the attempts of imperialism."

The Order of the Day expresses congratulations to all officers and soldiers on the working people's holiday and orders "festive fireworks" on the occasion of the May Day celebrations.

ZHIVKOV ATTENDS TU CENTRAL COUNCIL PLENUM

AU031126 Sofia Domestic Service in Bulgarian 0900 GMT 3 May 83

[Text] The fourth plenum of the Bulgarian Trade Unions Central Council opened in Sofia today in the presence of Comrade Todor Zhivkov. High-ranking trade union, party, and economic leaders are taking part in the plenum. Heroes of Socialist Labor are also participating.

Petur Dyulgerov, candidate member of the BCP Central Committee Politburo and chairman of the Trade Unions Central Council, read a report on the implementation of counterplans for 1983. He analyzed how the Bulgarian trade unions are fulfilling their new functions and responsible tasks -- stemming from the 12th BCP Congress and from Comrade Todor Zhivkov's speech at the Ninth Trade Union Congress, as well as from the decisions of this congress -- and how they are acting as a social guarantor of the party's economic and social policy. The report also dealt with the consistent implementation of the new economic approach and its mechanism by the trade unions. Having assessed a number of shortcomings in the work of the trade union organs and organizations and of the economic managers in the technological methods of compiling counterplans for 1983, it was concluded that the uncovered reserves are greater than those delineated in the counterplans. A drastic change is necessary in the struggle for the thriftiest and most efficient use of raw materials, other materials, fuels, and energy, and in connection with cutting down on manual labor. The contribution of the construction, design, scientific-research, and application links is unsatisfactory in this respect. Great attention must be devoted to the work of trade union organs and organizations for the further study, propagation, and mass application of advanced experience, so that the trade unions may become an active, organizing, and mobilizing factor in the struggle for improving production quality as the main trend in economic development.

ZHIVKOV ADDRESSES FATHERLAND FRONT PLENUM

AU290820 Sofia Domestic Service in Bulgarian 0800 GMT 29 Apr 83

[Text] The second plenum of the Fatherland Front National Council began at the National Assembly hall today. Those attending the plenum particularly cordially welcomed Todor Zhivkov, BCP Central Committee general secretary and State Council chairman, and the other party and state leaders. The plenum was opened by Pencho Kubadinski, BCP Central Committee Politburo member and chairman of the Fatherland Front National Council. It adopted an agenda.

Comrade Todor Zhivkov read a report on some of the most topical issues of the socio-economic development of the country and of the international situation.

DOYNOV BCP DELEGATION DEPARTS FOR MINSK 3 MAY

AU031606 Sofia Domestic Service in Bulgarian 1300 GMT 3 May 83

[Text] At the invitation of the Belorussian Communist Party Central Committee, a BCP delegation led by Comrade Ognyan Doynov, Politburo member and secretary of the BCP Central Committee, left for Minsk today. The delegation will study the experience of the Soviet Communists in implementing the decisions of the 26th CPSU Congress. The delegation was seen off at Sofia airport by Comrade Milko Balev, high-ranking officials of the BCP Central Committee, and Nikita Tolubeyev, Soviet ambassador to Bulgaria.

SUCCESSES OF HUNGARIAN AGRICULTURE HAILED

AU031505 Sofia RABOTNICHESKO DELO in Bulgarian 2 May 83 p 4

[Budapest dispatch by Stanislav Drumeshki, RABOTNICHESKO DELO correspondent: "'Secrets' of Effectiveness"]

[Text] Hungary has achieved remarkable successes in agriculture in recent years. The grain and meat problems have been solved. According to statistics published by the International Bank for Reconstruction and Development Hungary's rate of growth in the area of foodstuffs production was the highest in the world during the period 1962-78.

Even under the conditions of the world economic crisis of capitalism, which seriously disrupted the world market, Hungary's agriculture succeeded in preserving much of its achievements. Today it ranks second or third in the world in per capita production of meat (140 kg boneless meat per capita per year), fifth in the production of grain, first in production of eggs, second in production of corn, and so forth. The rational organization of labor, tested daily in practice, plays a great role in turning these achievements into long-lasting ones.

[Word illegible] are the cooperative and state managements of land. This allows industrial production methods to be introduced and scientific achievements to be applied. During the sixties chemicals were comprehensively applied in cooperative agriculture and during the seventies enlarged cooperative farms, comprising 70,000 decares of land, were created. Intensive technology with a closed cycle [intenzilna tekhnologiya sus zatvoren tsikul] was introduced in cattle breeding.

Essence of Production Units

The Hungarian agroeconomists proposed creating the so-called production units in agriculture. They are associations of separate cooperatives for production of some vegetables or for breeding a particular kind of domestic animal. Naturally, the small cooperatives gravitate toward the larger, something which ensures provision seeds, breeding animals, and services for all. There are now 75 such units in Hungary. They produce 87 percent of the corn, 88 percent of the wheat, and 90 percent of the sugar beets produced throughout the country.

Practice shows that cooperatives which do not join the production units produce 20 percent less grain, because the production units have greater opportunities to introduce scientific-technological achievements, organize production on an industrial basis, improve the material-technical supply, and conduct the rational training of manpower. Thanks to the production units and the division of the land into plots of optimal size, the degree to which tractors and combines are used in Hungary is now four to five times higher than that of the best farms of the capitalist countries.

In Hungary there are also four agroindustrial associations. They are formed in regions with the same or similar climatic conditions. They consist of 44 cooperative and 12 state agrarian farms with a total area of 240,000 decares. They coordinate the tasks of producing, processing, and marketing the production of separate agricultural crops grown on larger plots in the region.

The Private Helps the General

The private, or auxiliary, plots are the third pillar of Hungary's agriculture. We must immediately say that they owe their existence to the cooperative and state agrarian farms. There is a rational division of labor between them. Crops which require special equipment are grown on the big farms, while those which require manual labor are grown on the private and auxiliary plots. These plots produce 56 percent of the pork. They have 90 percent of the vegetable gardens, 50 percent of the vineyards, 25 percent of the orchards, 27 percent of the cows and 75 percent of the poultry. Bee-keeping, rabbit-breeding and sheep-breeding are successfully developing on the private and auxiliary plots. If the cooperative and state farms decide to take away from the private plots only the production of pork, they would have to invest an additional 120 billion forints. I have visited many private and auxiliary plots in the villages. I must admit, I was prejudiced against them, fearing that they could develop a petty producer mentality and induce their owners to neglect the interests of the cooperatives. Soon, however, I became convinced that mutual relations have been created in the Hungarian villages which help the private and public interests complement each other. The system is such that the private plots cannot exist without the cooperatives, from which they receive breeding animals, feed, equipment and veterinary and zootechnical assistance. The marketing of production also takes place through the cooperative farms. The main factors in these mutual relations are observance of contacts, refraining from violating the established organizations, and keeping promises, with really good results.

Today life in the Hungarian village is little different from life in the city. The income of the peasant is equal to that of the workers, and in some cases even surpasses it. The industry that has been developed by all the cooperatives also contributes to this. It ensures one-third of the cooperated peasants' income.

Hungary's agriculture now produces 16 percent of the national revenue and ensures 22-23 percent of the country's exports. It really has a rational organization of labor and production, which stimulates the interest of all in low-cost, high-quality production.

BELGIAN PARLIAMENTARY DELEGATION MEETS TODOROV

AU031116 Sofia Domestic Service in Bulgarian 0900 GMT 3 May 83

[Text] A Bulgarian parliamentary delegation headed by Comrade Stanko Todorov, chairman of the National Assembly, met the Belgian parliamentary delegation visiting our country which is headed by Ward Leemans, president of the Senate.

During the talks Comrade Stanko Todorov briefed the guests on the tasks which the working people in our country are now coping with, with the structure and activities of the National Assembly, as well as with its role and importance for the country's socioeconomic development. Discussing the current, complicated international situation, Comrade Stanko Todorov pointed out the necessity that the parliaments even further intensify their activities to prevent the danger of nuclear disaster and to consolidate security and peace throughout the world.

FRG GOVERNMENT SHOULD 'APOLOGIZE' TO HONECKER

AU030906 Prague RUDE PRAVO in Czech 2 May 83 p 5

[Bonn correspondent Vitezslav Havlicek commentary: "The GDR's Justified Decision"]

[Text] In connection with the planned visit of E. Honecker to the FRG, one could hear, aside from more or less overt slanders of the GDR, calls demanding all kinds of concessions from the GDR. In diplomats' language, one can hardly describe this in terms other than interference in internal affairs.

The calls of the extreme right for "reexamining" the so-called Ostpolitik have been growing in strength, especially in connection with the preparations of the government program, the proclamation of which is slated for 4 May. As H. Gautier, deputy chairman of the German Communist Party, declared at the May Day rally in Muehlheim-Ruhr, the objective of this campaign was to disrupt mutual relations and the results of the detente policy.

Small wonder that in this situation the GDR, as has been announced, does not consider it suitable to hold the planned visit at the present time. Federal Chancellor H. Kohl, however, pretends to be surprised by this decision and has even called it "incomprehensible." It is as though he has forgotten that only a few days ago he, too, with his statements, was playing into the hands of those who had launched the provocative slanderous campaign against the GDR.

Although he has affirmed his interest in meeting E. Honecker -- despite demands to the contrary of some of his companions -- he did nothing to stop the campaign. Explaining it in retrospect with "freedom of the press," which he is now trying to do, does not sound very convincing. The West German bourgeois press -- and it could not be otherwise -- once again reflected the position of its masters and owners. And not only the press did this.

The reaction of the West German public shows that reasonable people in the FRG do not find the GDR's refusal [of the invitation] "incomprehensible." Nor have the attempts to accuse the GDR of "cooling down" mutual relations, which suddenly are being made by those who unleashed the campaign, proved so far to be very successful. "There is no doubt that the CSU and its chairman, Strauss, in particular, have recently been quite deliberately acting and talking in such a way that this consequence could or, in fact, had to come," the Munich paper SUEDDEUTSCHE ZEITUNG admitted on Saturday in a commentary on the cancellation of the visit.

If the present FRG Government is really that interested in the visit of the highest GDR representative as it is now suggesting, nothing is easier than to halt the campaign, to apologize, and to prove with specific deeds one's genuine interest in the proclaimed [good] relations. After all, even now the GDR does not conceal its interest in good neighborly relations with the FRG, in the interest of security and peace in Europe.

B. LATTA CRITICIZES ANTI-USSR-SUBMARINE CAMPAIGN

AU021322 Bratislava PRAVDA in Slovak 30 Apr 83 p 7

[Boris Latta commentary in the column "On the Margin": "Hunting a Mirage"]

[Text] Every accusation that is raised must be founded on specific, irrefutable proof.

That, at least, is what common sense dictates. However, the latest anti-Soviet campaign, this time being conducted in Sweden, shows us that this need not always be true. What is it all about, this time? It must be said that it all began toward the end of last year, when it was alleged that "six unidentified submarines violated Sweden's coastal waters with the aim of acquiring information about secret installations." After the first wave of the anti-Soviet campaign had subsided, a second wave arrived, in the form of a government commission report issued a few days ago. Although the commission members themselves had to concede that not a single object nor piece of equipment had been found to identify the state to which the "unidentified submarine" belonged, a press conference resounded with accusations against the Soviet Union, contrary to all logic. On the basis of the government commission's investigations, the Swedish side went so far as to deliver a protest note to the Soviet side, demanding -- apart from other things -- "rectification by the Soviet Union."

However, in the present instance there is nothing to rectify. As long ago as the end of last year, the Soviet Union officially declared that no Soviet submarines had even been, or could have been, near Swedish territorial waters. Then why all the interest in the Western information media, and why is the Swedish side adopting this tone?

The answer to all these questions must be sought in the plans of rightwing circles which, together with Swedish military circles, want to achieve a further large increase of allocations for military purposes, at the same time bringing neutral Sweden closer to the aggressive NATO bloc. The attempt to aggravate Swedish-Soviet relations and the situation in northern Europe, which is closely connected with this wish, is part of the NATO pact generals' long-term plans.

The anti-Soviet campaign, which made up the unfounded claims about the "espionage by Soviet submarines," has another serious purpose: to weaken the strengthening antiwar movement in the West, and thus also in Scandinavia, a movement in which the followers are demanding cuts in military expenditures and the establishment of a nuclear-free zone in northern Europe. In order to equip the campaign with "appropriate strength," the publication of the government commission's report was immediately followed by demands, this time from Copenhagen, to "reassess Denmark's naval defense" in connection with the "new fact -- the threat to Sweden." This entire disgusting and hysterical display culminated in the announcement issued by the Norwegian Ministry of National Defense which stated that the Norwegian Navy had begun a search for an unidentified submarine in its territorial waters. Thus, the hunt for a mirage continues.

CTK REPORT ON CHNOUPEK, ABE DINNER TOASTS

LD192326 Prague CTK in English 2017 GMT 19 Apr 83

[Text] Tokyo -- Czechoslovak Foreign Minister Bohuslav Chnoupek, who is on an official visit to Japan, conferred here Tuesday with his Japanese partner Shintaro Abe. They discussed the state and prospects of bilateral relations, called them stable and backed their further development with the utilization of all reserves which exist mainly in the economic sphere. Minister Abe expressed concern about the abduction of Czechoslovak citizens in Angola and denounced this act of violence.

The Czechoslovak foreign minister was received also by Chairman of the House of Councillors of the Japanese Parliament Masatoshi Tokunaga. Bohuslav Chnoupek also met [words indistinct].

In a toast at a dinner Shintaro Abe gave in honour of Bohuslav Chnoupek, the Japanese foreign minister described Minister Chnoupek's visit as very useful.

In his reply, Bohuslav Chnoupek stressed the fact that his visit is an expression of bilateral interest in a constructive dialogue. He said that there are conditions for a dynamic development of economic cooperation. He further noted that Czechoslovakia with its allies actively strives for an improvement of the complicated international situation, as shown by the Political Consultative Committee of the Warsaw Treaty in Prague.

ANGOLAN MILITARY DELEGATION DEPARTS PRAGUE

LD031810 Prague CTK in English 1655 GMT 3 May 83

[Text] Prague [no date as received] -- The Angolan military delegation, led by member of the Politburo of the Popular Movement for the Liberation of Angola (MPLA) -- Party of Labour and Angolan Defence Minister Col. Pedro Maria Tonha Pedale, left Czechoslovakia on Tuesday [3 May].

The Angolan guests were seen off at the airport here by Czechoslovak Defence Minister Army General Martin Dzur.

PARTY, STATE DELEGATION RETURNS FROM AFGHANISTAN

AU021231 Prague RUDE PRAVO in Czech 30 Apr 83 p 7

[Text] The CSSR's state and party delegation returned home from Afghanistan on 29 April 1983. It was welcomed by Ludovit Pezlar, Central Committee Presidium member and secretary of the Slovak Communist Party (CPSL); Ignac Janak, CPSL Central Committee Presidium member and secretary of the West Slovak Regional CPSL Committee; and Julius Hanus, first deputy premier of the Slovak Socialist Republic.

ITALIAN FOREIGN MINISTRY DELEGATION ENDS TALKS

AU291106 Prague RUDE PRAVO in Czech 28 Apr 83 p 2

[CTK report in the column "International Contacts"]

[Text] Czechoslovak-Italian interministerial consultations were held in Prague on 26 and 27 April 1983. The Czechoslovak delegation was led by Jaromir Johanes, CSSR deputy minister of foreign affairs; the Italian delegation was headed by Bruno Bottai, director general of the Italian Ministry of Foreign Affairs. During the talks they discussed topical international political issues and assessed the prospects for the further advance of Czechoslovak- Italian relations. Bruno Bottai was received by Jindrich Rehorek, CSSR first deputy minister of foreign affairs. The reception was attended by Giovanni Paolo Tozzoli, ambassador of the Republic of Italy to the CSSR.

PRESS VIEWS CURRENT GDR-FRG RELATIONS

AU021501/AU031343 [Editorial Report] East Berlin NEUES DEUTSCHLAND in German on 29 April on pages 1, 2, and 5 carries reports concerning GDR-FRG relations in connection with the latest events involving the death of FRG citizens at GDR border-crossing stations and the resulting campaign in the FRG. The reports, which total about 3,150 words, include a short ADN report on page 1 on a coronary specialist from West Berlin stating that "at present nearly 200,000 FRG citizens per year die from sudden heart failure."

On page 2 the paper carries the 350-word report of PRAVDA's correspondent Podklyuchnikov from West Berlin published in PRAVDA of 28 April and headlined "The Slanderers Do Not Get Tired" and the 400-word report by correspondent S. Tosunyan published in IZVESTIYA of 28 April under the headline "Return to the Cold War", as well as a 250-word ADN report on a TRYBUNA LUDU commentary headlined "Bonn's Hysteria" dealing with the intention of rightist circles in the GDR "to bring about a change in German policy."

On page 5 the paper continues with a 350-word ADN report on the West German parliamentary-political press service (PPP) criticizing the CSU as reactionary; a 150-word ADN report of an article in the FRANKFURTER RUNDSCHAU of 9 April criticizing the West German police for having shot 40 citizens in the past 10 years "by mistake," and a 300-word ADN report on a report in the weekly VORWAERTS on the same subject. There is also a 600-word ADN report on a L'UNITA report on GDR-FRG relations quoting Erich Honecker's statement that the GDR is not prepared to join the dangerous game but desires that the treaties be strictly observed and criticizing the CSU attitude; a 120-word ADN report on SPD Chairman Vogel stressing that the progress in the relationship with the GDR must not be endangered; a 180-word ADN report on an article in the FRANKFURTER RUNDSCHAU of 28 April stating that there have always been heart failures according to statistics; and another 350-word ADN report on a commentary in the FRANKFURTER RUNDSCHAU of 28 April stressing the importance of moderation in the FRG relationship with the GDR.

NEUES DEUTSCHLAND on 30 April/1 May on page 2 continues with reports on the same subjects. These reports include a 650-word ADN report giving the interview of FRG television with its correspondent Peter Merseburger, accredited to the GDR, on 28 April in which he deals with the cancellation of Honecker's visit to the FRG which "in its form was surprising, but there were also a lot of warning signals", stresses the GDR's readiness for detente, and states that Kohl should have made clear that "the guiding lines in German policy are also determined in Bonn and not in Munich."

The paper also carries a 50-word ADN report on FDP leader Wolfgang Mischnick who stressed the continuation of the Bonn foreign policy principles; a 250-word ADN report on a press statement of the Greens in which they declare that the cancellation of Honecker's visit was the "natural result of the aggravation of the relations between the two German states that was brought about deliberately and with negative intentions."

The coverage of this situation also includes a 400-word ADN report on the address of the deputy chairman of the DKP, Hermann Gautier, criticizing the campaign initiated by Strauss who aims "at a 'change' in the relations between the FRG and the GDR"; a 150-word ADN report on an article in DIE ZEIT stressing that the transit routes are safe and criticizing Strauss who wants a change; a 200-word ADN report on a statement of police psychologist Georg Sieber in the Munich ABENDZEITUNG in which he stresses that the politicians and media are making people afraid instead of better informing them; and finally a 500-word ADN report on a debate of the West Berlin deputies stressing that the transit routes are safe, praising the transit agreement, and criticizing the statements by Strauss and the press reports.

East Berlin NEUES DEUTSCHLAND in German on 2 May on page 2 reports foreign press reaction to the current situation as regards FRG-GDR relations. The reports, which together total about 1,300 words, include a 300-word ADN report on a TRYBUNA LUDU commentary on the cancellation of Erich Honecker's visit to the FRG which says that it is "'the logical conclusion from the clear aggravation of the propagandist and political course of the FRG Government'" that is a "'policy of the rightist and nationalist forces on the Rhine'"; a 300-word ADN report on a commentary in NEPSZABADSAG in which it is stated that Honecker's visit to the FRG had to be called off as "a situation was created in the relationship between the two German states that does not allow Erich Honecker to accept Chancellor Helmut Kohl's invitation" and which criticizes the intention of the rightist forces to bring about a change in the policy vis-a-vis the GDR; a 250-word ADN report on an article in the Greek paper RIZOPASTIS criticizing the "'slanderous campaign against the GDR': pursued by "'Strauss and other leading forces of his revanchist party'"; a 100-word ADN report on a report in L'UNITA of 30 April stressing that it was the aim of the CSU and parts of the CDU to prevent the visit of the GDR leader; a 150-word ADN report on an article in THE WASHINGTON POST which deals with the cancellation of Honecker's visit to the FRG and the events surrounding the death of FRG citizen Rudolf Burkert; and a 200-word ADN report on a commentary in DAGENS NYHETER which also deals with the cancellation of Honecker's FRG visit and calls it "'alarming and unexpected'" and stresses the importance of German-German detente.

NEUES DEUTSCHLAND

AU040944 East Berlin NEUES DEUTSCHLAND in German 3 May 83 p 2

[Article by "A.Z.": "On Relations Between the GDR and the FRG"]

[Text] On 28 April 1983 Eric Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, informed Helmut Kohl, FRG chancellor, that "in view of most recent developments in FRG-GDR relations, no one here seriously believes he can visit the Federal Republic now, that is, this year." The fault lies with those who had created an escalated atmosphere and who had also torpedoed the intention of having regular meetings between representatives from the two German states as a normal occurrence, which would have benefited relations between the GDR and the FRG and thus the situation in central Europe.

After recent events, no one was surprised by the message to Chancellor Kohl. No one could fail to notice that rabble-rousers such as Strauss, Springer, and others were consciously creating a situation which has hardly been surpassed in terms of enmity toward the GDR. The attacks on the GDR national hockey team in Dortmund, insults such as "murderers" and "pigs," and attempts to hit trainers and players need only be recalled. As a result of this, the question of which city rules the FRG became subordinate in importance.

This regrettable incident of the death of a transit traveller was manipulated to bring the "folk soul" to the boil, although everyone knows that with such a large volume of visitor and holiday traffic, which -- if, besides the transit travel, holiday traffic between the GDR and the FRG, as well as between the GDR and West Berlin is taken into account -- amounts to 30 million per year, deaths unfortunately also occur. In the period 1 January 1981 to 26 April 1983, 520 persons died; of these, 397 were FRG citizens and 123 West Berliners. At the same time 260 GDR citizens died while visiting the FRG. To deal with questions arising in this connection regulations were agreed upon between the GDR and the FRG in accord with international practice. They were operative until a short time ago.

Why, then, was the tragic death of a transit traveler suddenly played up in this way? The answer is obvious. Strauss, Springer, and others, including their representatives in the Federal Government -- Strauss' party has five ministers in the Federal Government -- are opposed to the direction of developments. The word continuity affects them as a red flag does a bull. Therefore, the natural death of a transit traveler had to serve to destroy the continuity in policy toward the East, which the new government had supported initially and which the Kohl government had supported during the elections and in talks with GDR representatives, and to introduce a change in policy toward the GDR and the other socialist countries.

It is part of an offensive of lies in the attempt to turn things upsidedown, all the more so as the rabble-rousers in the FRG are intent on misleading its citizens and on stationing new U.S. medium-range missiles in 1983 against their will.

If in the past Jews or cyclists were to blame for everything, it is now the customs officials and People's Police officials who, for over 10 years, have been doing their duty to ensure smooth traffic on the GDR transit routes. It is they, and thus the GDR, who are to be blamed for the irresponsible action of those who hate the good relations between the GDR and the FRG, just as the devil hates holy water.

All this is well understood by GDR citizens. One who doubts this need only look around. Many statements and assessments testify to this.

As we recall, when Federal Chancellor Kohl took over in Bonn, one often heard that he intended, on the basis of the existing system of treaties, to anchor the FRG more firmly in the Western alliance while at the same time continuing with the present Ostpolitik.

This assessment was generally welcomed, and on the eve of the new elections on 6 March many felt that with the upswing of the FRG economy announced by Kohl, elimination of mass unemployment, and creation of more teaching posts, the best prerequisites would also be created for a broad expansion of relations between the FRG and the GDR. This impression was strengthened through a lively exchange of ministerial visits, which had been set in motion by the former government and which was continued by the new Federal Government.

But everything turned out differently. Though the GDR in past months clearly tried to maintain good relations with Bonn, and had in this respect gone to the limit of its possibilities, from the FRG, despite the days of spring on the Rhine, an icy wind blew across the German-German border. With gross suspicions and bold slanders, with strident tones and untruthful assertions, the charge was sounded for a change in relations with the GDR. A change for the better? Doubtful. The entire burden of the long-forgotten Greater German dream rests now on German-German reality.

The propagation of the foe image and the cold war was once again taken up. The death of the transit traveler on the border, which has been fully resolved and which the GDR, as the relevant representatives of the FRG know and confirm, dealt with in an absolutely correct and extremely generous manner, has become a reason to consciously aggravate the atmosphere. Seldom do people who cannot brag enough about human rights when it comes to socialist states abuse a regrettable case of death in such an unscrupulous manner for political aims. Cause for concern in this context is the fact that influential politicians of the coalition and the papers close to it set the tone in this context.

A psychosis of fear has been incited, the whole box of old prejudices opened up and merry hell raised. To raise a stink against relations with the GDR was the motto of the CSU. It waged a policy according to the old pattern: to divert disappointment and dissatisfaction with growing unemployment and social disintegration within the country toward an external enemy. Rather than carefully handling the German-German relations in a critical international political situation, muscle-flexing and threats have become the order of the day. The invitation to the SED Central Committee general secretary to visit the FRG has been made the object of unworthy speculations.

Almost daily demands, whole catalogues of demands, were addressed to the GDR -- a way of doing things in preparation for a meeting by leading politicians which has failed miserably in the past. Such action is absolutely incompatible with the principle of sovereignty and even with the most basic rules of interstate relations.

Since things were left to drift in Bonn, the rabble-rousers went full steam ahead, making a mess of things. They forget that the GDR is not available as a whipping boy for the enemies of detente, not even for internal coalition quarrels in Bonn. Let this be noted once and for all.

Part of the calculations are the result of influences from across the Atlantic. In autumn 1982 a representative from the Reagan team, at a conference of the Konrad Adenauer Foundation in Bonn, demanded that after the March 1983 federal elections the Federal Republic's policies toward the East would have to undergo a "thorough reassessment."

Now that the consequences of this hostile, even hate-filled campaign against the GDR are coming into effect, Bonn is attempting to save that which can still be saved. Federal Chancellor Kohl said that freedom of the press exists, without distancing himself with one word from the impudent, insulting, hostile attacks against the GDR and its representatives that violate the spirit and the letter of the Basic Treaty. Let us not discuss the true state of this freedom of the press. Under its banner a mass magazine such as STERN tries to whitewash Hitler.

But the matter demands honesty to oneself and the world. Poor excuses are not adequate for the seriousness of the occasion. The responsible person in one of the two German states has to do justice to it. This started in 1969. No one should underestimate this. A move back into the trenches of the cold war is of no use to anyone.

Everyone knows by now that the campaign started and continued by the Springer concern was used by the enemies of a constructive policy toward the East as an excuse to achieve in FRG Government circles a long-pursued aim to destroy the policy of detente, the policy of understanding and good-neighbor relations with the GDR. Did CSU Chairman Franz-Josef Strauss not say that he did not want continuity but a change in policy toward the East? And did he, the chairman of a government party, not also say, in word and letter, that now is the time to prepare the FRG population psychologically for the stationing of new U.S. missiles? This connection cannot be overlooked. Even FRG representatives are worried about the serious effects of this hate campaign against the GDR on the FRG population. What happened to our players during and after the hockey game is alarming. We are already this far again. And one must assume this was only the beginning. With the cue words murder and killing, a climate of hate which is meant to turn into a climate for the stationing of missiles was created. And everyone knows who supplied these cue words.

Clearly the question of who determines the policy guidelines in Bonn, and from which city, is an internal FRG matter. But the GDR, as a neighbor and treaty partner of the FRG, has a legitimate interest in knowing whether Bonn policies continue to be predictable.

Our policy remains so. In spite of the unhappy events, the GDR is still interested in the development of normal relations between the GDR and the FRG, of which Chancellor Kohl was informed. This shows the long-term view of its policies and their predictability. In this, the start clearly has to be made from existing treaties, among which are the treaties between the GDR and the FRG, above all the Basic Treaty. Those who shake one part also put in question the functioning of other parts of the treaty system.

In close consultation with the Soviet Union and the other allies, the foreign policy of the GDR is directed at peace and cooperation. No threat emanates from the soil of the GDR for its Western neighbor. And we are always at pains to solve all disputes by means of negotiations. All strata of our society firmly support this course, which is in agreement with the UN Charter, the Helsinki Final Act, the Basic Treaty, and the closing communique of the Werbellinsee meeting.

The GDR-FRG Transit Agreement is also part of the European treaty system and is linked particularly closely with the Quadripartite Agreement of September 1971. It came about by the active participation of the GDR and the FRG and there can be no doubt that it has proved itself and has made a considerable contribution to calming the situation in central Europe.

Above all the treaty system has made the situation in West Berlin more secure. This benefits all sides, especially the population of West Berlin. Thus it is understandable that in the recent past, spokesmen from all parties represented in the Senat of Berlin-West -- the CDU, SPD, FDP, and the Alternative List for Democracy and Ecology -- condemned the shrill, strong words emanating from Bavaria, and pointed out that the policy of change entailed turning away from dialogue and sensible economic relations and harmed the interests of West Berlin.

In spite of all the faults that have emerged in the course of time, travel, visitors' traffic, and tourism between the GDR and the FRG have developed positively. Some 6-7 million FRG citizens and inhabitants of West Berlin visit the GDR annually. And some 1.5-2 million GDR citizens travel to the FRG and West Berlin, while the trend for journeys on pressing family business, as well as within the framework of tourism, is on the increase.

If one considers the communication opportunities between the GDR and the FRG, as well as between the FRG and West Berlin, then in this field, too, there has been notable progress in accord with the principle of reciprocal concessions. One need only mention the construction and extension of motorways, telephone and postal communications, the rise in the duty-free amounts allowed into the GDR, the time extension of day visits for West Berliners to 2:00 am.

Taking volume into account, transit traffic between the FRG and West Berlin generally moves smoothly, despite the frequent misuse of the transit routes by professional racketeers, smugglers, and criminal organizations. Just imagine if the GDR shouted from the rooftops about all that takes place there against its interests! Not much would be left of smooth transit traffic under such circumstances...therefore: less misuse of the transit routes would make the few checks-on-suspicion even less frequent.

Trade between the GDR and the FRG is also going well, as the FRG Government realizes. It could be made even more comprehensive by the reduction of restrictions by the FRG. Apart from cooperation by large firms in both states, which is meanwhile also taking place with third countries, some 6,000 small- and medium-sized FRG enterprises are involved, and requests are continuously addressed to the GDR to include even more firms in view of the crisis in the FRG. It takes place in accord with the principle of reciprocal concessions, which is known to those participating, and of course, for the benefit of both sides. Those who say differently do not know the situation or they are lying. In accord with the Basic Treaty and the Werbellinsee agreements, trade between the two German states is to be furthered. No wonder respected FRG economic papers such as HANDELSBLATT point out that the disruptive actions from Bavaria could harm FRG foreign trade framework conditions.

If there are obstacles to the development of bilateral relations, then this is partly due to the fact that a series of issues have not yet been resolved, issues which need to be solved through negotiations. This refers to the Elbe border. There is no valid reason why, following the settlement of all issues concerning the border on land, that the few kilometers of river border cannot also be settled by negotiation in keeping with international principles. A joint protocol on this issue was reached at one time. Furthermore, there is the question of respect for GDR nationality, which is unrenounceable, when problems particularly important to peoples, such as traffic of travellers and visitors, legal aid, and such like are at stake. This refers to the situation existing in Salzgitter, which is contrary to the agreement, and the subject of transforming the missions of the two states into embassies. The GDR introduced these subjects into talks and negotiations not, as at times asserted, as maximum demands, but because many practical matters affecting the life of the people in both states depend on their being settled.

Speculations with the GDR mark on the FRG and West Berlin money markets has an unfavorable effect. No one can deny that a ratio of one-four or one-five is not realistic but manipulated. This in turn leads to the GDR mark being smuggled, which harms the GDR economy and the citizens of our country. As is known, the export or import of the GDR mark into or out of nonsocialist countries is banned. So far there have only been spot checks, but it is not difficult to see that the introduction of thorough checks would considerably disrupt transit traffic as well as visitors' traffic. So far the GDR has not done this and will not do so in the future. Not for the love of those who from time to time flex their muscles, but in the interest of a smooth visitors' traffic. From this, however, stems the need to ensure an as-near-as-possible realistic exchange ratio by laying down a minimum exchange requirement. After all, a minimum exchange requirement does not exist only between the GDR and the FRG. Other states have also agreed to such requirements.

With regard to sport and cultural exchanges, they are being endangered by abuses and outrages to which the GDR representatives are exposed during their stay in the FRG. The same also applies to young tourists and to youth exchange schemes. It would be truly desirable were this to be heeded in Bonn with the seriousness it deserves.

All in all, as the facts quoted show, favorable conditions for the development of relations between the GDR and the FRG and between the GDR and West Berlin were created through the implementation in spirit and letter of the Basic Treaty and other agreements. This also applies to the situation at the border, which -- and one must not lose sight of this -- is also the border between the armed forces of NATO and the Warsaw Pact. It is self-evident that the lessening of tension on the border, the settling of problems and the implementation of this or that measure, which were already being tackled in the wake of the meeting at Werbellinsee, is made more difficult by the present atmosphere of hostility, for which the GDR is not responsible.

What is valid for the GDR is the spirit and letter of the system of treaties that have been signed, including the joint communique of Werbellinsee. If, in contrast to the many assurances of the federal chancellor, the FRG wants something else, it should say so.

The paramount question is that of safeguarding peace, that is, the prevention of a nuclear war. This was the crux of the telephone conversation between the federal chancellor of the FRG, Helmut Kohl, and the general secretary of the Sed Central Committee, Erich Honecker, on 18 April, as was pointed out in some FRG newspapers, and not, primarily, events at the border. It was, above all, a case of agreeing that at the present time there is nothing more important than the safeguarding of peace and that here the two German states bear a particular responsibility from which no one can relieve them. In this connection the USSR's proposals, the Prague declaration of the Warsaw Pact states and the need for a positive end to the Madrid meeting were discussed.

The implementation of all this is all the more important because of the threat of nuclear war created by the arms drive and confrontation policy of the Reagan administration. In the United States they are speaking of a winnable nuclear war and intend, through the deployment of the new missile systems, to create a first-strike capacity in West Europe and thus alter the military strategic balance. A war waged with nuclear weapons would be nothing but mutual suicide, and thus can in no way be justified. The people of neither the FRG nor the GDR would survive the first and retaliatory strikes. A duty to peace, renunciation of the deployment of new U.S. missiles and the liberation of Europe from nuclear weapons is therefore absolutely imperative. The GDR fully supports the relevant statements which CPSU General Secretary Yuriy Andropov made recently in an interview with an FRG magazine and which he used in his reply to U.S. scientists.

It is not the GDR's aim to loosen the FRG's incorporation in the NATO alliance. However, it should not be forgotten in Bonn that the GDR is equally firmly embedded in its alliance. The deployment of new U.S. nuclear missiles -- that is to say, Pershing II and cruise missiles -- would in no way contribute to the establishment of normal, let alone good-neighborly, relations with the GDR. Quite the reverse.

If a balance sheet of developments in relations between the GDR and the FRG since 1971 is drawn up, the result is quite impressive, especially if the amount of resistance which had to be overcome is taken into account. There is, therefore, much at stake if efforts are now being made to bring about a change in the direction of hostility toward the GDR. It is an unsuitable remedy to proclaim loyalty to treaties and then in the same breath to state conditions and reservations which are aimed against the essence and also against the letter of the Basic Treaty. Whatever is under consideration in Bonn and whatever questions have to be decided, no one should ever lose sight of the fact that the GDR cannot be blackmailed. Any such attempts would not only be to the disadvantage of the GDR, but of the FRG, and not least West Berlin, which, as is known, does not belong to the FRG and may not be governed by it. The GDR is a sovereign socialist state that is firmly incorporated in the Eastern alliance. Its [as received] scope is to be found wherever it is a matter of serving peace and promoting cooperation between the states.

The GDR's stance is characterized by continuity, constancy, and reliability. We have held and will continue to hold the same basic position. On the basis of the treaties signed, we, in accordance with the principles of peaceful coexistence, wish to and will work for the safeguarding of peace in Europe and for the development of good relations between the two German states. This is in the interests of the people of the GDR and the FRG. It is also an important contribution to the well-being of all peoples not wanting a policy of confrontation, especially here on the dividing line between the Warsaw Pact and NATO.

It is a matter of preventing a nuclear inferno, of disarmament in the East and the West according to the principle of equality and equal security, and of a lasting peace. In short, it is a matter of a people's right to go about their work in peace, assured of a good future for their children and grandchildren.

FISCHER INTERVIEWED ON UPCOMING MOSCOW VISIT

DW040843 East Berlin Domestic Service in German 1700 GMT 2 May 83

[Interview with GDR Foreign Minister Oskar Fischer by Siegmund Krause prior to the visit to Moscow by a GDR party-state delegation, in Berlin, date not given -- recorded]

[Text] [Question] Comrade Minister, to begin with, may I ask you to say something about the significance of this visit.

[Answer] Comrade Krause, gladly. The GDR and the USSR are fraternally allied. We have a good, stable, and truly multifaceted cooperation. I would be stating the obvious if I discussed the immense benefits emerging from this tested cooperation.

Every citizen in our republic knows from his daily experience that the closer our cooperation with the Soviet Union, above all, and with the other fraternal socialist states, the more successfully our state develops and flourishes. In smashing the fascist troops in May 1945, the Soviet Army not only liberated our people from Nazi rule and helped them survive physically, the Soviet Army also brought hope and courage in life to the people. Finally, it helped organize social life in a democratic fashion.

Meetings and talks by party-state delegations from the GDR and the USSR have always marked high points in the relations between our parties, states, and peoples, they have always staked out the future road to follow.

The visit which begins tomorrow will again provide opportunities to become directly acquainted with the latest achievements and experiences of the Soviet people. The two general secretaries, Comrades Erich Honecker and Yuriy Andropov, and the members of the delegations which they will be heading, will have numerous opportunities to discuss the current results from the implementation of our common goals. In the form of programs, everything has been laid down in the decisions of the 10th SED Congress and of the 26th CPSU Congress. The primary question of safeguarding peace will be given its proper place. In these times, this could hardly be expected to be any different.

[Question] Comrade Fischer, what do you think now characterizes the state of relations between our republic and the USSR?

[Answer] Friendship with the Soviet Union has always been the guarantee of all our successes. What is more, this friendship is an important factor in European stability and thus in the struggle for world peace. We are linked to the Soviet Union by innumerable close ties. This cooperation is unprecedented in history; let me cite a few facts:

Foreign trade turnover between our states has increased 39 times since 1950, the year when the first trade agreement was signed. While trade amounted to M1.5 billion in 1950, goods exchange amounted to about M15.5 billion in 1970. This year trade turnover worth nearly M60 billion is planned.

The Soviet Union occupies first place in the GDR's foreign trade, just as the GDR heads the long list of Soviet foreign trade partners. This is supplemented by equally close and fruitful cooperation in the cultural, scientific-technical, and other fields. Last but not least, let me cite here the innumerable direct contacts between plants and institutions, production brigades, young people, students, and pupils. This is truly a unique concerted action in the history of international relations.

The seed was planted in May 1945, and now a rich life in all fields of social activity fills the Treaty on Friendship, Cooperation, and Mutual Assistance. This treaty is in force until far beyond the year 2000. The further development of cordial relations between the peoples of the GDR and the USSR is the core of this treaty and will continue to determine the main trend of development in our bilateral relations. The official friendship visit by the GDR party-state delegation to the USSR will undoubtedly add other important pages to the fraternal alliance with the country of Lenin.

[Question] Comrade Minister, thank you very much for this interview.

REPORTAGE ON HONECKER'S VISIT TO MOSCOW

For USSR and GDR media reportage on the visit to the Soviet Union by Erich Honecker, SED general secretary and chairman of the Council of State, including his talks with General Secretary of the CPSU Central Committee Yuriy Andropov, their speeches, and other activities, see the Eastern Europe section of the 3 May Soviet Union DAILY REPORT and subsequent issues.

SED'S DOHLUS RECEIVES BCP DELEGATION

DW0021425 East Berlin Domestic Television Service in German 1730 GMT 29 Apr 83

[Text] Horst Dohlus, SED Politburo member and Central Committee secretary, held a friendly talk in Berlin with a delegation from the BCP Central Committee headed by Colonel General Velko Ivanov Palin, BCP Central Committee member and chief of the Central Committee's Military-Administrative Department. Col Gen Palin conveyed Todor Zhivkov's most friendly greetings to Erich Honecker, which were cordially reciprocated. During their stay the guests acquainted themselves with SED leadership practices, above all in the field of defense and security policy.

BRIEFS

PROGRESS IN CULTIVATION -- So far 33.5 percent of the potatoes have been planted and 43 percent of the sugar beets have been sown. About 40 percent of the planned area for outdoor vegetables have been planted and sown. [East Berlin NEUES DEUTSCHLAND in German 28 Apr 83 p 1 AU]

REPORT ON KADAR'S ADDRESS TO ANGYALFOLD WORKERS

LD291411 Budapest Domestic Service in Hungarian 1630 GMT 28 Apr 83

[Excerpts] Janos Kadar has visited Budapest's 13th District, Angyalfold. He was accompanied by Miklos Ovari, member of the Politburo and secretary of the Central Committee. Julia Tardos has a report with recorded highlights of the visit:

[Tardos] It is a tradition that before May Day Janos Kadar visits Angyalfold, where he once worked and where he is today a National Assembly deputy. In the morning he was first received in the headquarters of the KISZ Central Committee where Gyorgy Fejti, first secretary of the KISZ Central Committee, said that a quick review had been carried out. [passage indistinct]

In his reply Janos Kadar drew attention to what he considers the most general task of the young people's organization. Socialist conditions do not automatically result in socialist thinking -- that is, our young people were physically born into socialism, but every young person must learn for him or herself what is the theory of our society, our common world outlook. He also drew the attention of the youth organization leaders to the fact that their organization is uniform but that they must perform their work in different ways according to the social sphere of the membership and the age of the children. Janos Kadar noted one other important task: that the youth organization should give a basic orientation in the simple things of life, such as in family relationships and in building a relationship with the older generations.

Afterward the first secretary of the party Central Committee went to the headquarters of the district party committee, where Gabor Deak, district first secretary, spoke about the district workers' opinion and mood.

Following this there was a visit to factories. The first stop was the screw industry works. As you are about to hear, it functions under extremely difficult economic conditions in such a way that the workers, in the first 4 months of the year, for the most part worked full shifts on Saturdays and half shifts on Sundays. I would gladly play extracts from the conversations that took place in the workshops, but screw manufacturing is a noisy business. The 100-decibel clamor renders the tape recording incomprehensible. So one of the workshops stopped for a few minutes. As he entered, Janos Kadar was received with great affection, and after the welcome chief trade union steward Ferenc Mezei spoke:

[Begin recording] [Mezei] I ask Comrade Kadar to speak to the participants of our improvised meeting:

[Kadar] Dear comrades, I cordially greet you. At district headquarters I was already involved in a bit of an argument, because Comrade Deak said they proposed the visit to the screw factory to form part of the program as I have not been here before. I said that was not true. I have been here, more than once, a long time ago. Well, in his time I have not been here, but I am very glad that the screw factory was included in this brief little visit to Angyalfold. This is a factory where the working conditions are tougher than average in Hungary's industry, this has to be said, but where for decades there has been no opportunity for serious renovation. Honest work is performed here. The significance of this plant in fact lies not only in the value of goods produced, but from a certain point of view the achievement of all Hungarian industry is connected with your work.

I was happy to hear that in the first quarter of the year you fulfilled the quota, and what is more you even overfulfilled it by 5 percent. I am especially glad that, through the country on the whole is not in a very easy situation -- which you know in broad outline -- nevertheless it was ultimately possible for a decision to be made, and the first step has already been taken, for us to start a 500-million forint reconstruction in the screw factory. Since we cannot keep quiet about this, this also serves to improve work productivity. And when we have successfully carried it out then the country will expect more from the plant than ever. But, something else that concerns the working man is that it will be possible to work in somewhat better conditions.

As far as the leadership of the party and the country is concerned, the Central Committee has endeavored to evaluate the situation not as it would like to see it but as it is in reality, together with all the good, the results as well as the shortcomings. Well. I am glad to hear that here in the 13th District they are of the opinion that (?we are managing) realistically. And we speak openly about the situation and about what has to be done. Since the congress held 3 years ago even in the more difficult conditions our people and our homeland have stood their ground. On the whole we are able to adhere to the objectives which we set ourselves there. And the way we judge the situation is that of course (?with regard to) the more difficult conditions [words indistinct] the way we realistically judge the objectives of the (?Sixth) 5-Year Plan is that if we work honestly and well, then we fulfill them. This of course also affects the workers' life (?objective). In the first 2 years, in 1981-82, on the national scale we were still keeping to the congress' target, to maintain the attained level; 1983 was a little standstill -- this also belongs to the affair and to the truth. But we have the conditions to allow us to overcome this standstill if we work satisfactorily, and within 5 years to come quite close to those objectives. Well, this depends on many things, not least on attitude. Attitude toward the task. To work well is necessary in all circumstances, even more necessary in more difficult circumstances. If the circumstances happen to be easier, still we must not work less. There is socialism, we say; this is true. But socialism must not be renowned for a lower (?level) of production than that of developed capitalism, but vice versa. Among other things, what is now needed for this at home is that we should maintain and even enhance the agreement which exists between the Central Committee, the administration, so to speak, and the working masses. [end recording]

[Tardos] And now a scene that has become a traditional part of the visit: the Kender-Juta hemp and jute processing plant. The machines were running here, too, and the women weavers stopped work for only a few minutes to hold a brief conversation and then an improvised meeting. Here Mrs Istvan Bardos was the first to speak:

[Begin recording] [Bardos] Let me ask Comrade Kadar to say a few words to the workers.

[Kadar] Dear Comrades: It is true that I have been coming here fairly regularly and frequently. I would like to congratulate you on your attained results and to wish good health and further successes. I will tell you that we also did an extensive review in the Central Committee not long ago, about 2 weeks ago. We had to review the work of 3 years. The country itself is living and working in quite difficult conditions, but I say that we should perhaps be thankful that our road is clear and straight and that we can speak straightforwardly and openly to people about the results and the problems. Maybe this is the main reason the country has worked with reasonable results during these 3 years; and on the basis of a very realistic review we can adopt the position that if we continue to work in this spirit, the main objectives the party congress set 3 years ago, which were accepted and supported by the country's public opinion, main objectives which the National Assembly determined in the Sixth Five-Year Plan, with the force of law, are objectives we may approach and fulfill with not bad results if we continue to work in this spirit.

The way to understand these difficult conditions we now say is that the international conditions have become very difficult. This is true, in fact, and that is why we work in somewhat more difficult conditions. But, in fact, even in easier conditions we must work better. Socialism must not be allowed to be characterized by careless, unsatisfactory work. Socialism must be characterized by outstanding, accurate, precise, and good-quality work, because this is the source of life.

The international situation has become more tense in recent years. The imperialists have all sorts of ideas that they will seek superior power -- which, however, they must not be allowed to do. Now they are no longer the unique lords of mankind, and the peoples of the socialist countries have a just position, they have a political strength. Because we wish every people, the peoples of our own socialist countries and the peoples of the United States, of West Europe, to be able to live in peace, to work and to enjoy in peace the fruits of their work, and to live alongside one another in peace, because there can be no other path for mankind. For if some lunatics take it into their heads to wipe out civilization -- there can be no victor -- well, it is our task to prevent this.

And the socialist countries, including our people, the Hungarian people, will allow nothing to be taken from their hard-won freedom and socialist achievements. We have the strength for this and we will defend our achievements in all circumstances. And we extend a hand to every people. Let us live in peace. And then if we want to debate which social system is better, then let us show it with work and achievement in peaceful conditions. [end recording]

Addresses KISZ Officials

LD281447 Budapest Domestic Service in Hungarian 1730 GMT 28 Apr 83

[Excerpts] Today Janos Kadar, first secretary of the Central Committee, visited Budapest's large working district, Angyalfold, of which he is the National Assembly deputy. Outside the Pozsony Road headquarters of the KISZ Central Committee First Secretary Gyorgy Fejti received Janos Kadar and Miklos Ovari. In the council chamber he first introduced the members of the KISZ Executive Committee and then gave the guests a detailed briefing on the way Hungarian youth received and adopted a stand in connection with the April resolution of the Central Committee. He said that young people, even if they are not happy about it, understand and accept the fact that, for the time being, we may at the most maintain the attained standard of living. They know, understand, and feel that we must work more effectively. Janos Kadar had the following to say on youth policy.

[Begin Kadar recording] I have often said here, and also publicly, that on the whole we should not initiate a so-called crusade on fashion, because the decisive thing is not whether we cut our hair this way or that, or whether our trousers are wide or narrow. I have always said that this is not the objective of the struggle. And we must not struggle either against certain modern things of this sort in themselves. But there are some things to which I would like to draw attention now. Our young people in their general behaviour, even in their dress, mood, and forms of amusement -- well, this is how I would put it now and I hope you do not think that I [words indistinct] are very strongly influenced by the West. Well, the television and I know not what, the radio, and God knows what else, bring with them waves of fashion like these and for this reason they are a little hard to understand [chuckles], but what I find [word indistinct] is that on top of everything else this is in addition an ugly fashion that is overdue, because the [words indistinct] long and late. Western youth has already got over this kind of dress [words indistinct] when in this country a somewhat crude and primitive imitiative fashion begins to assert itself.

But the interesting issue for us is still not this. It is a question of a certain basic attitude. People must go back, must go back, in attitude, behavior, in family relations, in the issue of the sexes [words indistinct] (?today's youth) must go back to human things and one must not be ashamed of this, one must even preach it. Well, one must take care there (?among) young people; one must also take care in communications, of course, in the press and on television, about what to disseminate. [end recording] [passage indistinct]

[Begin Kadar recording] [Passage indistinct] a realistic review, and we speak openly about the situation and about (?what must be done). Let them live and work in peace, because the socialist countries have the political strength, because we fight for truth because when se say let there be peace on earth, this is not only in the socialist countries' interest. So we have the strength politically, too. We also have economic potential; we have the available resources. Socialism is a world system now. Only we have to learn how to deal even better with the available resources, and we also have our defensive strength, and determination, too. The imperialists will not gain the upper hand. Our peoples, including the Hungarian people, will not move from their freedom and their attained socialist achievements and will never give them up. [applause] They are saying that the improvised meeting is over. [he laughs, audience laughs and applauds] [end recording]

KADAR RESPONDS TO NONALIGNED LEADERS' CSCE APPEAL

LD302056 Budapest MTI in English 1709 GMT 30 Apr 83

[Text] Budapest, April 30 (MTI) -- Janos Kadar, first secretary of the Hungarian Socialist Workers' Party Central Committee, has answered the appeal the heads of state and prime ministers of Austria, Cyprus, Finland, San Marino, Sweden and Yugoslavia addressed to the signatories to the Helsinki Final Act to promote the early successful conclusion of the Madrid meeting.

In his answer the first secretary of the Central Committee hails the initiative of the heads of state and prime ministers of neutral and non-aligned countries and describes it a positive step aimed at the early successful conclusion of the Madrid meeting and the maintenance of the process of security and cooperation in Europe.

In its policy and international activity the Hungarian People's Republic observes the principles and recommendations of the Helsinki Final Act. Hungary shares the concern expressed in the appeal over the present state of the Madrid meeting and the whole of the process of security and cooperation in Europe, and its shares the conviction that an urgent political decision is needed to secure an early successful conclusion of the work done in Madrid.

Along with its allies and several other states of Europe, the Hungarian People's Republic has from the start proved its political readiness to engage in constructive work. What is now needed is that governments that have been so far reluctant to do so should follow suit and promote the reaching of concensus in a constructive spirit.

In his answer Janos Kadar expresses the conviction that the successful conclusion of the Madrid meeting would lend impetus to the process of security and cooperation in Europe, while failure to reach a successful conclusion would have an unfavourable impact on the situation of Europe and the rest of the world.

The Hungarian delegation will continue to do everything in its power to achieve that the Madrid meeting should be concluded with the adoption of a balanced final document rich in content. The appeal of the six heads of state and prime ministers is the most recent precious encouragement to our delegation in its activity. We adhere to the opinion that the draft final document submitted by the neutral and non-aligned countries is a good starting point toward the successful conclusion of the Madrid meeting, the first secretary of the Central Committee stresses.

USSR WRITERS MEET WITH ACZEL, DEPART BUDAPEST

LD292102 Budapest MTI in English 1717 GMT 29 Apr 83

[Text] Budapest, April 29 (MTI) -- Georgiy Markov, secretary of the Soviet Writers' Union, who headed a delegation of Soviet writers in a joint session of the secretariats of Hungarian and Soviet writers unions, has met Gyorgy Aczel, member of the HSWP Political Committee and secretary of the Central Committee, and Bela Kopeczi, minister of culture. The Soviet writers, accompanied by Laszlo Fulop, vice-president of the National Council of Agricultural Cooperatives, paid a visit to an agricultural cooperative. The delegation left Budapest Friday.

MSZMP AGITPROP CHIEF'S PRAGUE TALKS REPORTED

AU021417 Budapest NEPSZABADSAG in Hungarian 30 Apr 83 p 8

[Text] At the invitation of the CPCZ Central Committee, Erno Lakatos, head of the Department of Agitation and Propaganda of the MSZMP Central Committee, visited Prague 27-29 April. He had talks on experiences and timely aspects of ideological work and the development of cooperation with Vasil Bejda, candidate member of the CPCZ Central Committee and head of its Agitation and Propaganda Department, and Otto Cmolik, head of the Mass Media Department of the CPCZ Central Committee. Jan Fojtik, candidate member of the Presidium and secretary of the Central Committee of the CPCZ, received Erno Lakatos.

TRADE UNION LEADER RETURNS FROM YUGOSLAVIA

AU291050 Budapest NEPSZABADSAG in Hungarian 28 Apr 83 p 5

[Unattributed report: "Sandor Gaspar Has Returned Home From Yugosalvia"]

[Text] The Hungarian trade union delegation led by Sandor Gaspar, secretary general of the National Trade Union Council, returned from Yugoslavia on 27 April. The delegation held talks with a delegation of the Trade Union Confederation of Yugoslavia led by Bogoljub Nedeljkovic, president of its Central Council. Subsequently, it visited Ljubljana at the invitation of the Slovene Trade Union Council.

Those welcoming the delegation at the Eastern Railway Station included Milan Veres, ambassador of the SFRY in Budapest.

PRESIDENTIAL COUNCIL STUDIES VISIT BY STAMBOLIC

LD292306 Budapest MTI in English 1719 GMT 29 Apr 83

[Text] Budapest, April 29 (MTI) -- The Presidential Council of the Hungarian People's Republic met in session in Budapest Friday, and heard the report of President Pal Losonczi on the official friendship visit to Hungary of Petar Stambolic, president of the Presidency of the Socialist Federal Republic of Yugoslavia. The Presidential Council approved the report and stated that the visit and the talks contributed to the deepening and the strengthening of the traditionally friendly relations of the two neighbouring socialist countries, and the better knowledge of each other's situation and position concerning the international issues of our age. The Presidential Council stressed that the recent talks of the two countries' leaders were an important stage in the series of summits, which are to be continued in the future, as they well serve the benefit and the common interests of the peoples of Yugoslavia and Hungary.

The Presidential Council has modified some stipulations of the [word indistinct] law of 1969 on the protection of patents. Although the former rules were in accordance with the management system of the national economy, and the international obligations of Hungary, technical and economic development and practical experience made it necessary to further develop the law. The modification is aimed at encouraging innovators and inventors, increasing legal protection, simplifying processes, and promoting the early use of innovations and inventions.

PRC LEADERS' 'OPENING' TOWARD ALBANIA ASSESSED

AU031206 Budapest MAGYAR HIRLAP in Hungarian 29 Apr 83 p 2

[Viktor Palfi article: "Chinese Signals to Tirana"]

[Text] There are several indications that the Chinese leadership has for some time been considering a reappraisal of relations with Albania. There have been no substantive relations between the two countries since the ideological split in the summer of 1978.

At that time, in response to political accusations by the Albanian leadership, China completely ceased supporting the small Balkan country both economically and militarily. Until now, relations between the two countries have been limited to a diplomatic relationship kept to a degree close to the freezing point. Recently, however -- for the first time in 5 years -- a group of Chinese foreign trade experts visited Albania and, in all probability, also conducted official talks on a revival of economic cooperation.

The Albanian press continues lashing out with the same zeal at the Chinese leadership that "has embarked on a capitalist path and is pursuing a hegemonistic policy," but Beijing has not responded to these attacks for quite some time. The pragmatic new leadership has reacted rather to Enver Hoxha's declaration last October that "Albania is interested in expanding economic cooperation with other countries." Obviously, it is not only for economic considerations that Beijing has also made a diplomatic concession to its former protege by sending its foreign trade experts to Tirana.

In order to indirectly justify the "opening," the Chinese press at the time noted in a striking manner that Albania had resolutely rejected Yuriy Andropov's proposal to improve Soviet-Albanian relations. Nor has it escaped the attention of the leaders of Chinese diplomacy that reports have been published in the U.S. press to the effect that Washington and London are contemplating the resumption of diplomatic relations with Tirana. This would mean, among other things, the return of Albania's $36 million gold reserves carried off by the Italian invaders and held in safekeeping by the Bank of England. Beijing has probably drawn the conclusion from this that it is time to revitalize its diplomatic activity on the Balkan peninsula. (This is implied also by the planned visit of Hu Yaobang, secretary general of the Chinese Communist Party, to Romania and Yugoslavia in May.)

It is not yet known how successfully the "trial balloon" launched by Beijing has landed in Albania; neither partner has published reports on the content or outcome of the trade talks. It is likely that a "policy of small steps" will be applied. It seems logical for the Chinese side to strive to restore the previously disintegrated ties of economic cooperation. In the 1954-1978 period, China accorded economic and military aid amounting to approximately $5 billion to Albania, which transacted one-third of its foreign trade with its distant protector at the time. China undertook construction of 142 fairly large projects. Of these, 91 were completed, 23 were under construction and the rest were in the preparatory phase.

It does not seem probable that Albania, which has been relying solely on its own resources for 5 years, will be capable of completing the half-finished projects, all the more so since the bulk of the installations were Chinese-made and Beijing discontinued even the delivery of spare parts following the split. At that time, Albania received 10,000 tractors from China, and its Army received an unknown number of armored vehicles, helicopters and other weapons which, for lack of replacement parts, must obviously be in a pitiful condition by now.

Prerequisites for the Chinese personnel are given. For years during the era of friendship, approximately 6,000 Chinese experts worked in the most diverse spheres of the Albanian economy. Given mutual political will, a return of these cadres, who are familiar with local conditions and some of whom speak the language of the host country, could strengthen economic cooperation as well as other forms of cooperation between the two countries in a relatively short time. The same could be the case with the 2,000 Albanian civilian and military experts trained in China prior to 1978. (Provided, of course, they have not fallen victim to the fairly frequently recurring purges in Albania....)

Obviously, great interest in China is not just attached to a revival of cooperation from the economic viewpoint, because, as before, Albania promises to be an unprofitable business for China. This is not the case, however, if we look at the matter from the political viewpoint. China is anxious to expand its presence in the Mediterranean basin and the Balkans. That explains the fact that it is "courting" some countries in the area, such as, for instance, Egypt and Malta. In the case of Albania, Beijing is not building its policy on the present, but on the future, the era following Enver Hoxha.

BRIEFS

NEW TV TRANSMITTER -- A new television transmitter is in operation at Gyoer. After a 2-week trial period the 4-kilowatt transmitter is beaming the first television program on Channel 8. Previously, the first television program reached Gyoer and vicinity from Kaphegy. With the completion of the new transmitter, reception conditions in the area have improved considerably. [Text] [Budapest Domestic Service in Hungarian 1300 GMT 2 May 83 LD]

TRYBUNA LUDU PUBLISHES SEJM RESOLUTION

AU021950 Warsaw TRYBUNA LUDU in Polish 29 Apr 83 pp 1, 7

["Shortened version" of resolution adopted by the Sejm during its 28 April session]

[Text] Having examined the draft national socioeconomic plan for 1983-85 which was presented by the Council of Ministers and which is based on the following:

-- an assessment of the country's current economic situation and a diagnosis of the causes of the current crisis with emphasis on the need to overcome it as quickly as possible;

-- the results of the social consultation held on the plan's variants; and

-- the principles of economic reform.

The sejm of the Polish People's Republic adopts the National Socioeconomic Plan for 1983-85.

This plan constitutes a basic tool of state economic policy, defining the goals, extent, and resources of economic development and the main social and economic tasks, together with the ways of implementing them.

The Sejm, declaring that making the national economy function efficiently once more -- essential for raising the material and cultural standard of living of citizens and for guaranteeing Poland its rightful place in the international division of labor -- demands that the methods of steering the economy be improved and that the forces, resources, and potential of the entire community be fully mobilized around the implementation of the plan's tasks.

We are at the beginning of a long and difficult road leading to the reconstruction of our country's economic strength and the people's standard of living. We must consistently remove the barriers that exist along this road. We must unite all our nation's patriotic forces, without surrendering and without making restrictions. Otherwise the economy could never overcome its standstill and powerlessness.

In order to attain these goals, we must cast a critical look at our work. We must condemn carelessness, particularism, and private interests. We must restore meaning to efficiency and productivity, which ought to be rewarded with better pay.

As a nation, therefore, we must undertake comprehensive work whose shape is presented by the National Socioeconomic Plan.

The goals and principles of economic and social policy laid down in the plan take into account the basic conditions emerging from our country's current domestic situation and the international situation.

The following are among the factors which are regarded as making it difficult for the economy to develop during the years 1983-85:

-- the reduced production potential and diminished work productivity caused by the crisis, with a resultant effect on the extent and quality of production;

-- the state of deep disequilibrium in the economy, expressed in the fact that there is a lack of proportion between needs and the possibilities for satisfying them;

-- the burden placed on the national income by payments resulting from credits carried over from previous years, the settling of which is exceptionally difficult given the fact that a sharp crisis is maintaining itself in the world capitalist economy;

-- the growing difficulties in meeting materials and energy requirements, especially concerning imports;

-- the reduced possibility over the next few years of undertaking large investment projects, coupled with the impossibility of giving our economy an intensive development based on a better use of the resources which Poland has at its disposal.

State economic policy should aim at overcoming these barriers to the country's development.

The possibility of widening cooperation with the CEMA countries is recognized as a basic factor encouraging the above.

The following are recognized as the basic goals of socioeconomic policy for the years 1983-85:

-- ensuring that the nation is fed, while reducing our dependence on the imports of food, especially grain;

-- meeting the demand for housing, as much as possible, and developing the technical and social infrastructure in cities and residential districts;

-- improving the supply of essential industrial goods for daily life;

-- protecting people in the most difficult material circumstances against the effects of the crisis.

These goals should be implemented at the same time as the process of restoring general economic equilibrium.

As part of the long-term program for feeding the nation, it is necessary by 1985 to reduce the general level of production for the needs of agriculture and the food economy by at least 20 percent compared with 1982 and increase investment outlay on the enitre food sector of the economy, comprising agriculture, the food industry, and industries which manufacture resources for agricultural production and for other activity essential for a proper functioning of agriculture, to 30 percent of total investment outlay. Agriculture must be guaranteed a delivery of 175,000 tractors during the years 1983-85.

The prices and taxation system should guarantee a constant profitability for agriculture and the food economy.

The procurement of grain should be raised to at least 5 million tons in 1985; the supply figures for meat and meat products, that are in effect, should be maintained; the supply of food products, especially milk and milk products, vegetables, and fruit should be improved; and the negative trade balance with countries in the second payments area concerning agricultural and food products should be reduced.

During the implementation of the long-term housing construction development program, the following should be achieved by 1985: increasing the proportion of private housing construction in relations to total housing construction to 35 percent and that of communal housing construction in relation to socialized housing construction to 2 percent (compared to 0.5 percent in 1982); guaranteeing the availability of about 500,000 gardening allotments for private housing construction, including the construction carried out by plants; and increase investment outlay on housing construction to 30 percent of total investment outlay.

In order to spur housing construction, it is necessary to take advantage of the assistance offered by plants in the development of multi-family housing for plant workers of private housing. The execution of these tasks should ensure that 530-590,000 apartments are built in the years 1983-85, that the density of settlement is reduced to 1.6 persons per room, and that the standard of old housing is improved.

In order to curb inflation and restore market equilibrium, it is foreseen that:

-- the supply of market goods and services calculated in fixed prices will increase by 24 percent in the years 1983-85;

-- production for market needs will be set in motion in plants which have other kinds of production;

-- more use of third shift in plants will be made and equipment will be better used;

-- raw materials used in the production of market goods will be economized and the quality of products will be raised;

-- people with gardening allotments and animal breeding farms will be encouraged to be more active in production;

-- all forms of small-scale industry will be activated by developing national industry in the regions.

The implementation of these tasks should be accompanied by efforts to adapt supply to meet the real possibilities for supplying the market with goods and services. This should be done, among other things, by maintaining rises in people's incomes within the level of 45-50 percent during the 3-year period, achieving savings on budgetary expenditure to a level of about Z145 billion, making firm use of the principles of financial and credit policy in order to encourage greater savings and a rationalization of expenditure, keeping essential price rises to within 11-13 percent per year during the years 1983-1985, and improving the taxation system in such a way that it would encourage productive work both by the millions of Poles employed in the socialized economy and by those employed in private farms, handicrafts, services, and creative circles. This taxation system should also be socially just and should distribute the costs of emerging from the crisis more evenly among different social groups according to the possibilities of each group.

The Sejm will place the Council of Ministers under an obligation to undertake action for the implementation of the anti-inflation and savings programs, on which achieving the goals of the 3-year plan adopted in this resolution depends.

In the balance sheet of people's incomes and expenditures, it is envisaged that the population's real income will settle at a level of Z5.1 billion in 1985, which means a growth of 49 percent.

This will be the result of the prior implementation of commitments toward certain social groups, especially the implementation of the "Teachers' Charter," of pay increases in health service and in social benefits, the revaluation of people's savings which is foreseen in 1985, and other measures. Pay increases for people in production will be possible only when the planned growth in production and productivity is achieved and production costs are cut. Without this it will be impossible to raise wages in plants. The Council of Ministers will establish the mechanisms to ensure that this principle is closely adhered to.

As a result of the anti-inflation program, it should be possible to halt the drop in real wages and even to achieve a small growth in these wages if the implementation of the program proceeds favorably.

The Sejm of the PPR regards a growth in the produced national income as a basic condition for implementing social goals. It is estimated that the produced national income may rise by 10-12 percent during the years 1983-85.

The lowering of materials consumption in industry at a rate of 1.9 to 2.2 percent per year and power consumption averaging 2.5 to 3 percent per year are regarded as the main tasks necessary to make management more efficient.

Increasing work productivity by an average of 4.1 percent per year and by 6.4 percent in industry is also important.

Changes will be initiated in the structure of the economy and of industrial production.

The main goals in industry should be to:

-- restructure production to meet market, export, and agricultural needs;

-- definitely improve the quality of products;

-- save foreign currency by developing production to take the place of imports or by reducing our dependence on imports;

-- stop producing goods demanding a high level of materials and energy wherever possible;

-- smooth out the production process from raw materials to the finished product;

-- develop the production of goods which promote technological progress;

-- improve the quality of goods destined for foreign markets;

-- satisfy the demand for spare parts for machinery, even at the cost of final production, and establishing more facilities for repairing and refurbishing production resources;

-- increase the use of local raw materials and byproducts.

In foreign trade it is envisaged that Poland's participation in the international division of labor will be increased by developing trade and cooperation with the socialist countries and with the USSR in particular, thus reducing our dependence on supplies of materials and technology from the capitalist countries.

A basic task facing foreign trade is to increase exports. It is envisaged that exports will comprise 23.4 percent of the produced national income, that about 50 percent of our exports will go to the countries in the first payments area, and about 58 percent of our imports will come from these countries. Trade turnover with the USSR should rise to 35 percent of our total foreign trade turnover in 1985. At the same time, it is necessary to permanently base Polish foreign trade on trade with the socialist countries beyond 1985.

It is necessary to increase trade turnover with the developing countries.

It is envisaged that imports of investment goods from countries in the second payments area will be maintained at the 1982 level.

It is estimated that the national income for distribution will rise by 8.5 to 10 percent in 1985.

The level of consumption and investment laid down in this resolution may not be exceeded without an additional growth in the national income. This is a basic condition behind strengthening the country's general economic equilibrium.

The principle of protecting consumption while distributing the national income is hereby accepted. For this purpose, up to 1985, gross investments in the national economy will only be maintained at a level about 5 percent higher than in 1982, while at the same time consumption will generally rise twice as fast as in 1982.

The following order of preference is hereby established concerning budgetary expenditure on social services and benefits: health protection and social care, education and upbringing, culture and art, and, finally, all remaining areas.

Concerning health protection, improving the material base of the medical profession and improving basic medical care in the regions are regarded as the most important matters. It is envisaged that the number of hospital beds will rise by 17,800 by 1985.

Concerning education and upbringing, ensuring places in school for children aged 7-14, whose numbers will rise by over 8 percent by 1985, is the most important matter. Concerning culture and art, the most important matter is to increase book production to 227 million copies. This involves modernizing the printing industry.

In the years 1983-1985 social benefits will rise by 40 percent. This will mainly concern old age and disability pensions.

Labor forces will be redistributed among certain sectors and branches of the economy. The number of employees in the socialized economy will be cut by 60,000. It is estimated that employment in handicrafts and services will rise by a total of 180,000 persons.

Security and hygiene at work should be improved. It is estimated that there are currently 2.2 million people who work under conditions which pose a hazard; this number should fall by at least 5 to 10 percent.

Investment activity should mainly be aimed at finishing investment projects which have already been started. Priority should be given to carrying out highly beneficial construction and modernization programs in short cycles, which will guarantee production for export purposes and the market and will serve to rationalize the consumption of materials.

The Council of Ministers will make another check on investment projects which have been frozen and will decide how to put them to use or whether to demolish specific construction sites. The Council of Ministers will introduce measures to restrict the commencement of new investment projects which are either wholly or partly paid for from the state budget. Control over the implementation of investment cycles should be sharpened and measures should be undertaken to stop the costs of investment projects from rising during their implementation.

Among the goals of the state's urban expansion policy are improving the functioning of urban conurbations and of regions where there are extracting and extracting-processing industries, and easing the discrepancies in the development of the social and technical infrastructures and in the development of individual regions. The Council of Ministers will restrict the construction of new investment projects and the extension of existing plants involving a labor force growth of above 200 persons in the following conurbations: Gdansk, Krakow, Lodz, Warsaw, and Katowice. Voivodship and municipal people's councils and local bodies of state administration are hereby instructed to check the general plans for cities, which should lead to a reduction in the expansion of cities and a reduction in the number of areas destined for industrial development. Small towns with up to 15,000 inhabitants should be activated. The Council of Ministers will introduce an economic preference system for locating new plants in northern and northeastern Poland with the exception of urban conurbations and the coastal belt.

Concerning environmental protection, the Council of Ministers will ensure that areas where there is a threat to the ecology are protected. This will involve a ban on building and extending plants which cause pollution in these areas, and in relation to those areas in the Upper Silesia, Rybnica, Gdansk, and Krakow regions which are threatened, the creation of complex future programs for halting pollution and gradually cleaning up the environment. It is necessary to increase measures aimed at curbing the most dangerous symptoms of destruction in these areas.

In the shaping of scientific and technical policy the Council of Ministers should be guided by the principle that there is a close connection between scientific and research work and the National Socioeconomic Plan.

The maximum level of investment outlay that can be determined at a central level is hereby fixed at Z624 billion in terms of 1982 prices for the years 1983-85. Of this, Z212 million is to be spent in 1985. It is assumed that these investments will be 19.8 percent of total investments in the national economy in 1985.

An addendum to this resolution will list the central investment projects whose realization in the years 1983-85 is admissible. The total number of these will drop from 79 in 1982 to 62 in 1985.

The following figures present our maximum admissible foreign debts up to the end of 1985:

-- to socialist countries, about Z0.5 billion;

-- to capitalist countries, about Z2.7 billion.

The Council of Ministers is hereby authorized to raise the upper ceiling of our debts to the socialist countries by an appropriate amount in line with any increase in our cooperation with the CEMA countries over and above the principles established in the National Socioeconomic Plan, and to seek additional credits in this connection. It is calculated that the state budget will be balanced in 1985.

Among other things, state economic policy should ensure that the incomes of economic units and of the population should strictly depend on growth in production and productivity and on a drop in production costs.

The Council of Ministers and bodies of state authority should exert an influence on the shaping of economic equilibrium and on structured changes and development processes by consistently applying the principles of economic reform mainly through the help of financial and monetary-credit policy and by improving the general rules of conduct contained in these principles.

Financial policy together with bank credits policy should help create a situation in which money is not easily available to enterprises. For this purpose, the influence of income tax and turnover tax on enterprises will be examined, as well as the costs which affect the prices of products and unjustified losses. Subsidies to various sectors of economic activity will also be cut. The principle ought to be observed whereby only those enterprises which are creditworthy and are likely to be so in the future may take advantage of credits.

A reform of the wages system should be introduced after 1983. Its purpose should be to create a better correlation between wages and work results, simplify the wage system and set wage scales in an order ranging from a minimum wage to a maximum wage. A modified stabilizing tax should control incomes to a greater extent than up to now. A turnover tax and income tax for handicrafts and for private trades and services should improve the taxation system. A turnover tax should be applied to the socialized economy, and the scale of income tax should reflect any growth in income. A further development of the handicrafts industry should be supported by a system of concessions concerning investments. Small plants, especially those performing services, should be given favorable forms of taxation.

It is planned that the taxation of all kinds of farms will be fundamentally reformed through the introduction of a single agricultural tax. The fiscal services should increase their control over private money earning and increase the sanctions for carrying out this activity without declaring it for taxation purposes. Earning excessive incomes not justified by the amount of work put in should be counteracted more effectively.

A fundamental aim of price policy should be to restrict price changes to a minimum and to spread price changes over several stages. The prices of superior quality goods should be raised, while at the same time the prices of standard goods bought by people with low and middle incomes should be maintained at a lower level.

People's councils should be made more financially independent by introducing budgetary planning covering many years and by increasing their sources of income. To achieve this, local budgets should be allocated 85 percent of income tax and other measures should be undertaken.

Based on the decisions of this resolution, the Council of Ministers will establish the National Socioeconomic Plan's tasks concerning the balance sheet with fuels, materials, expansion policy, environmental protection, science, technological progress, the ways and means of implementing the National Socioeconomic Plan and the size of subsidies from the central budget to local budgets.

In the first half of 1983, the Council of Ministers will present the principles of fiscal policy toward the unsocialized economy and the population, and by 1 September 1983 it will present the principles of price policy up to 1985.

If economic conditions take shape in a way different to that foreseen in the plan, the Council of Ministers will present alternative scenarios for economic activity.

This resolution is valid by virtue of the power in force as of 1 January 1983.

LEADERS ATTEND 3 MAY ANNIVERSARY CEREMONY

LD031616 Warsaw PAP in English 1455 GMT 3 May 83

[Text] Warsaw 3 May -- Today, the 192nd anniversary of promulgation of the May 3rd Constitution, thousands of Varsovians gathered at the Royal Castle Square decorated with white-and-red flags. Present are members of the highest authorities with General Wojciech Jaruzelski, Henryk Jablonski, Edward Kowalczyk and Roman Malinowski, Sejm deputies, activists of the PRON National Provisional Council and senior representatives of Warsaw municipal and party authorities.

Shortly before noon, in honour of the 192nd anniversary of promulgation of the May 3rd Constitution, the state flag was hoisted on the Sigismund Tower of the Royal Castle. After the ceremony members of the authorities signed the visitors' book opened for the occasion at the plinth of the Sigismund Column. A march-past by the Polish Army's Guard of Honour completed the ceremony.

DISTURBANCES REPORTED IN WARSAW, KRAKOW, LUBLIN

LD032132 Warsaw Domestic Television Service in Polish 2031 GMT 3 May 83

[Text] The whole country celebrated the anniversary of the 3 May Constitution; however, the underground opposition which failed on 1 May, decided to use this anniversary, too, for their own aims, taking advantage of the crowd coming out of church. This was done in spite of the fact that, for instance, priests in Warsaw Cathedral called for calm and for not yielding to the attempts of provocation. It was, therefore, an example of particular viciousness to abuse the anniversary celebrated by the whole nation, the great anniversary, for the sake of street brawls. These did not last long, but in Warsaw, Krakow, and Lublin, the opposition managed to lead groups of several hundred people each into the streets. Let us look at what we filmed this evening in Warsaw. Let us repeat, Poland celebrated the anniversary of the 3 May Constitution with special pomp, and those who attempted to disturb these celebrations certainly did not have the interest of our fatherland at heart.

URBAN, LOPATKA HOLD NEWS CONFERENCE 3 MAY

May Day Incidents

LD031609 Warsaw PAP in English 1457 GMT 3 May 83

[Text] Warsaw 3 May -- "The fact that the pope's visit is materializing indicates that relations between the state and church are good. Cooperation is widening. It is generally expected that the visit will be a step towards further improvement of these relations," declared head of the Office for Religious Affairs Minister Adam Lopatka at a press conference for foreign newsmen held here today by the Government Press Spokesman Jerzy Urban.

Referring to May Day disturbances, Minister Lopatka said that they will have no influence either on the pope's arrival or the course of the visit.

Replying to questions, Minister Lopatka confirmed that the President of the Council of State has received a letter from the Pope. In the letter the Pope expresses satisfaction at the invitation to pay visit to Poland. Also contained is a plea for amnesty. This is not a condition, but a plea, emphasized Minister Lopatka.

In a statement delivered at the press conference, Minister Urban commented on the letter which President Reagan addressed to participants in a Washington demonstration organised in support of Solidarnosc. He stated that the formulations contained in the letter were "manifestation of political cynicism". The President, declared Urban, interferes in the internal affairs of Poland in an ultimate form. This augurs bad for Polish-American relations.

Speaking about Lech Walesa, Minister Urban said that "he is still considered a private person" by the government. He has become an obsolete figure on Poland's political scene and will not become a partner for the Polish Government. He is, nevertheless, a figure with which the U.S. Government has been playing anti-Polish policy.

Speaking on May Day demonstrations, Jerzy Urban said that 6.5 million people, or 2.5 million more than last year, took part in the parades. In 34 voivodships there were no disturbances. The boycott of the May Day demonstrations has failed. An estimated 40,000 people took part in counter-demonstrations. This, in Minister Urban's assessment, is an insignificant number. I regard the course of May Day festivities as a political success, stressed Minister Urban. One thousand participants in the disturbances were detained. A part of them were released after two to three hours.

Minister Urban said next that between 13 December, 1981, to 31 March, 1983, 3,048 persons were indicted of offences covered by the martial law decree and related legislation. Of that number 900 persons could benefit from clemency. The Council of State considered 507 petitions for clemency and 449 persons were pardoned.

In most cases, punishment meted out for those offences was not connected with stay in penal institutions. A majority of the persons convicted have already left these institutions. According to data of 30 April this year, 215 persons served terms in penal institutions.

Making references to the incident in Nowa Huta May 1, Minister Urban said the causes of the death of Ryszard Smagur are now being investigated. The minister added that there were not crowd-dispersing operations in the area where the 29-year old worker was found injured. Smagur died despite efforts to provide assistance to him.

Answering a question, Minister Urban said 21 men among the order enforcement forces were injured during the events in Krakow and Nowa Huta May 1, and that 7 of them are staying in the hospital. Gdansk, the number of those injured among the order enforcement forces is 7, including one seriously wounded.

Pope, Walesa, Martial Law Offenders

LD032045 Warsaw Domestic Television Service in Polish 1730 GMT 3 May 83

[Text] Another press conference has been held in the INTERPRES press center. Journalists' questions were answered by Minister Adam Lopatka, head of the Office for Religious Affairs, and by Government Press Spokesman Jerzy Urban.

Minister Adan Lopatka made a statement opening the conference:

[Begin Lopatka recording] A few words about the envisaged visit of John Paul II to Poland: The fact that the visit is materializing testifies that church-state relations are good. During the preparations for the visit, the fruitful cooperation between the state and the church has been widening, both centrally and locally. I would like to say that there exists a will to arrive at the necessary agreements, and this determines the fact that difficulties emerging here and there are being overcome with relative ease. It is probable that before the Pope's visit an important Vatican dignitary will come to Poland. Similarly, Vatican security representatives are expected within the next few days to prepare for the visit.

Some people are interested in the cost of the pope's trip. The cost will be met partly by the government and partly by the church -- that is, by the faithful. During the preparation of the visit it has been established that, as in the first visit, there will be close cooperation between the state forces of order and those that the church will organize for this occasion. The necessary measures are already being adopted. [end recording]

Minister Jerzy Urban also answered several questions of particular interest to journalists:

[Begin Urban recording] Concerning the U.S. Government, it is amazing that it cultivates a daily comment on Walesa's way of life. Nearly every day during the past few weeks either the State Department spokesman or the White House spokesman have pronounced protests on various issues related to Walesa. Thus, they protest because Walesa is summoned to give fiscal evidence, while another protest is related to the fact that Walesa's wife deals with custom formalities connected with the import of a car, and so forth.

The U.S. authorities seem to regard it their duty to comment on every event in Walesa's life, as recently the department [not further identified] spokesman stated that he is pleased that Walesa has resumed work. On several occasions I have said in this hall that Lech Walesa is regarded as a private person, and of course he is still considered as such in Poland. However, he is a special private person who plays some kind of role, apparently an eminent role, in U.S. policy toward Poland. It is quite clear that Walesa is an individual who is being utilized by the U.S. Government in its current anti-Polish policy, and that it is trying to inflate Lech Walesa's importance.

I can add here that Walesa did not want to start partner-cooperation with the Polish authorities in 1981 and that in spite of repeated appeals and persuasions he missed his chance and wrecked the chances of the Solidarity union that then existed. He did not want to achieve a national accord and, therefore, as a result of the subsequent course of events, Walesa became a has-been personality [postac zdeaktualizowana] as far as the Polish political scene is concerned. This was achieved by his own attitude and policy. Walesa will not become a partner for the Polish Government and any artificial inflation of this individual is simply unrealistic and has no prospects.

I have received a question related to the number of persons who are still in penitentiary establishments in connection with offences against martial law regulations. Until 31 March 1983 -- that is, between the 13 December 1981 and 31 March 1983 -- 3,048 persons have been charged with politically-motivated offences.

The majority of penalties meted out did not involve imprisonment. A considerable proportion of persons sentenced for political crimes [corrects himself] politically-motivated crimes have now left the penal institutions, having either served the penalty, or with a conditional discharge, or as a result of the widely-applied practice of granting parole, or finally as a result of the Council of State decisions granting pardon. According to the data of the Ministry of Justice and Prosecutor General's Office, about 900 people could avail themselves of the right of clemency as approved in the December Council of State resolution. So far the Council of State has examined 507 such applications; in 449 cases it applied the right of clemency and the applications of 57 persons were refused [pause]; 58 of those that have been examined so far, this means 58, in 58 cases the Council of State did not apply the right of clemency. According to the data of the Ministry of Justice of 30 April, that is very recent data, on this day 215 persons sentenced under the martial law decree were still in penal establishments, some of whom will be released in the near future following the implementation of the decision on granting pardon. [end recording]

JARUZELSKI SPEAKS AT GOVERNMENT-PRON MEETING

LD031922 Warsaw Domestic Service in Polish 1635 GMT 3 May 83

["Extensive excerpts" from speech by Premier Army General Wojciech Jaruzelski to the joint Government Presidium-Patriotic Movement for National Rebirth (PRON) Provisional National Council Presidium meeting on 3 May in Warsaw -- recorded]

[Text] I believe that the character of today's discussion, and the material on which it was based, clearly testify to the authenticity of the emerging movement. Essential issues concerning the system are being discussed, with a sense of their social importance and of society's needs. The movement is in its initial, provisional stage. The congress, the establishment of the movement, and the creation of the other foundations for activity are all before us. All this constitutes a very good forecast for the future.

I believe that it should be strongly emphasized that the government and the administration are extremely interested in broad, constructive, creative, and critical cooperation with PRON. We state this with a full sense of responsibility and of the significance of the issue. We are looking forward to various critical views, if they emanate from noble motives striving toward the consolidation of our socialist state through setting in motion and enriching those democratic mechanisms that conform most closely with the system.

This is not a gesture on the part of the administration or an act of good will, extorted or not, but a conscious need for such improvement of the structures and methods of our work that would enable full use to be made of social activity, social initiative, and social control. In recent years, particularly in 1982 and now in 1983, the Sejm has passed many laws, mostly -- though not always -- on the government's initiative. We should appreciate this legislative activity as outstanding proof of the determination of people's power to follow the road of socialist renewal and to consolidate the transformations that are taking place in the country and leading to the formation of an unshakable, and permanent legal foundation on which social activity can be based.

We have talked today about ways to present PRON's problems in the mass media. I believe that the initial stage, the stage of birth, may obscure other issues accompanying the development of the movement. Many unfair assessments are being spread, mainly by people who are opposed to the movement.

Because of this, no decision has been reached on how the mass media should portray PRON in the future. Propaganda operations are also being hampered by the fact that PRON is concerned with and presents its stand on very high-profile issues and major problems such as the system, the state, politics, and ideology -- this is mainly what the provisional council does. The movement also operates at the grassroots level, through its regional links which have resolved very useful, tangible issues.

Speaking as a member of the movement, I can say that we have been unable to find a unity and bond between these levels that would create an organized whole. We still have this ahead of us, and I think that the congress will do much in this respect. I believe that PRON's future activity should create a binding link in the activities of various social organizations, starting from those of high public utility, to those [word indistinct] which also express some useful human feelings and human activity that should be respected and which must have an outlet. PRON can create such a platform and should do so; every social organization should find in PRON its patron -- if it can be so described -- and spokesman.

We should now end this subject of propaganda. We expect that at the moment the patriotic movement [words indistinct] because it is very young, but later it will no doubt ensure that it shows all sides of its activity, including the weaker sides, untapped reserves, and everything that could be done in a better way.

The comrades also discussed a very significant and at the same time very difficult matter, linked with martial law and the various problems and solutions accompanying it which could be considered after its abolishment [zniesienie], or within the framework of its abolishment. I can only confirm what I said during the May Day celebrations: We will move consistently in the direction of normalizing the situation in Poland and we expect that this normalization -- which does not depend exclusively on the authorities -- we expect that it will be possible to finalize this normalization with an act abolishing the state of martial law and everything that should accompany such an act, including an act of amnesty.

We must, however, continue to be guided by a sense of responsibility for calm in our state, for the durability [trwalosc] of the state and for internal order. This feeling of responsibility makes it essential for every decision to be extremely carefully balanced [wywazona] so that it does not create results that could be detrimental to the normalization.

We know that, unfortunately, there are still people who have not understood much from our history -- not just recent history but all of our difficult Polish history. These people, not having this sense of responsibility, can cause such damage and such a disturbance that could reverse the current process of emerging from the crisis, with very dangerous results for our country. This we absolutely cannot and will not allow.

At the same time, as we have frequently declared with all our strength, the party and the people's power are not searching for or creating enemies. Quite the reverse, we say repeatedly: Only those who want to be enemies are enemies. We expect that more and more people, who do not fully understand our intentions and our will to continue the line of socialist renewal, will finally understand that this is the road of no turning back, that this is the only correct road for Poland, and that they will be with us.

I believe that today's meeting also illustrates the openness of public life, the life of our state, fully implemented by the authorities. We have been discussing many issues very openly, not only because today we have representatives of the mass media here, but because there is, in fact, no serious decision or undertaking that would not -- in the originating stage of the decision, in its implementation into concrete solutions, or in the stage of checking its implementation -- that would not be reflected in the mass media [words indistinct]. Perhaps we cannot always do things well, perhaps arguments are not always clear, and perhaps we are not always approachable -- this is another matter, this we must improve. Today, however, nobody can deny in this respect that much has changed in our country, and it will continue to change. We have nothing to hide.

Presents Concluding Speech

LD032329 Warsaw Domestic Service in Polish 2130 GMT 3 May 83

[Text] Ladies and gentlemen: I have presented a summary of extracts from speeches taken down in shorthand during yesterday's meeting of the Government Presidium and Presidium of the Provisional National Council of the Patriotic Movement for National Rebirth [PRON].

The meeting concluded with Premier Army General Wojciech Jaruzelski taking the floor again.

[Begin Jaruzelski recording] I thank you very much for the observations made by members of the Presidium of the PRON Provisional Council. These observations were most valuable and very much to the point. They will be considered in the further work on the projects. At the same time I think that it will be in line with the spirit of today's deliberation if these projects are submitted for social consultation, and published, in particular, in the paper RZECZPOSPOLITA. I think today's debate on these points was very eloquent. I see it as a kind of contribution to the activities of PRON, which, by its manner, has taken a stance on the most important issues of social life with regard to authority, officialdom, and citizens.

In this way it assisted these fundamental documents in acquiring the final, social -- shall we call it -- polish. It is in fact difficult to overestimate the meaning of such normative docements, either as the ethical code for employees of state offices, or a document on the rights of citizens and duties of an employee in a state office.

Cadre policy is one of the most urgent tasks and concerns of the party leadership, the government, the allied parties. We treat cadre policy as a factor of our action within the coalition. We understand the need and we share the views presented by representatives of PRON with regard to stepping up the participation of nonparty people in individual echelons, and also the direction and execution of power. In this respect we have no inhibitions. Of decisive importance must be usefulness, a qualification for the ideological and moral standard of man. I think that in this respect we will soon make another step. This is a matter which we understand univocally. The activity and views of PRON will be much needed and of help. I think that even today we can admit that we have made certain steps on this road. If we look at the cadre form of the Council of Ministers, and ministers, and going lower, voivodships, we see essential changes in this respect. It should be said that administration has not been spoiled with regard to personnel and cadre changes. Accusations, often addressed to the government and to individual administration links, assume that it is a petrified structure, that the same people who constantly repeat mistakes not always wish to remedy such a situation.

This is not the same government, not the same voivodships; these are people who have changed in the most essential way, [words indistinct] because every man, after taking over a certain post, needs time, new experience, in order to settle down.

Today, we are for stability, and first of all implementation, consistent implementation of those tasks, those provisions which transpire from our program. At present we are facing the particularly difficult task of implementing the 3-year economic plan, particularly the anti-inflationary and saving programs incorporated into the mechanisms of reform. We have commissioned very considerable activities which encompass the increasingly popular participation of our society, the working class and technological intelligentsia. We want these activities to bring about the best possible results. We understand it is difficult to apply all this directly to PRON, but the battle for the economy and for thriftiness is the great patriotic task faced by our whole nation so that we do not tumble, so that the gap between us and the faster developing countries, the countries of (?realistic) socialism, does not widen. This is a problem which must be understood by everyone, because this is not just a question of good or bad will or good or bad management. This is an issue of certain objective factors, of shaping present factors, circumstances, in which the population of Poland continues to grow rapidly, and will continue to grow; but at the same time the numbers of those working will decrease; the numbers of children and young people in education will increase; the numbers of retired people will increase; the amount of land will decrease; the destructive environmental phenomena will worsen. All this results from the development of civilization. In order to overcome all this there is no way other than to work harder and live more thriftily.

We hope very much than PRON will create a climate which will encourage such a civic and social understanding of these great needs. We treated this meeting also as a form of consultation. We had a typical and very advantageous convergence of debate on the forms of social consultation at our meeting today. I do not know how much Mr Dobraczynski and all our guests will share this view, but the Council of Ministers is interested in continuing such meetings. We will gather experience from them. Perhaps we will try to conduct such meetings more efficiently by preparing all material in advance, thus limiting the duration of these meetings. I think that our methods as such are correct, and I think I have the right to state that a climate of mutual confidence, understanding and warmth has been created, a warmth which does not exclude, and indeed should assume, criticism and comments which serve our mutual cause.

I thank you sincerely for your active participation in our meeting, for sharing many interesting views with us. I think the Government Presidium will convey to PRON best wishes for its coming congress.

SCINTEIA CARRIES CEAUSESCU'S XINHUA INTERVIEW

AU040915 Bucharest SCINTEIA in Romanian 3 May 83 pp 1, 3

[Interview given on 27 April in Bucharest by RCP Secretary General Nicolae Ceausescu to Tin Yun Nin, XINHUA chief correspondent in Bucharest]

[Text] Question: After Romania's liberation, and especially after the Ninth RCP Congress, the Romanian people, led by the RCP with you as its leaders, achieved noteworthy successes in building socialism. Comrade Nicolae Ceausescu, please tell us about some of the important economic measures adopted and results obtained since the 12th RCP Congress and National Conference.

Answer: During the period of socialist construction Romania obtained important successes in building socialism, and has been building the comprehensively developed socialist society.

At the national conference I spoke in detail about those results; currently, Romanian industry produces about 50 times more than before the war, and agriculture 3.5 times more. Machine-building, metallurgy, chemical industry, and other modern industrial sectors have developed intensively. On that basis, the national income has increased about 15 times over, and conditions have been created for implementing our socioeconomic development program and for developing science, culture, and education -- important factors for building socialism and continuously improving the people's material and living standard.

The 12th party congress established Romania's transition to a new stage of development as a strategic objective: to go from a developing country to a country with an average level of development and to achieve a new quality of labor and life in all sectors of activity. The 12th congress placed special emphasis on the need to develop our energy, raw materials resources, and agriculture.

The national conference held at the end of the 1982 examined in depth the stage at which the Romanian socialist society finds itself and the implementation of the 12th congress decisions, and adopted important decisions and measures concerning the development of the Romanian socialist society in the coming few years. At the national conference I stressed the fact that during the first 2 years of the Seventh 5-Year Plan activities were marked by the difficult conditions of the international economic crisis, as well as by certain contradictions in Romanian society. The conference emphasized that despite those conditions, the Romanian economy continued to develop -- although at a slower rate than envisaged by the 12th congress -- and some important results were obtained.

The national conference adopted a number of programs designed to implement the 12th congress decisions. Among these, I want to mention first of all that as a general policy we will stress intensive development of all socioeconomic activities, raising the technical and qualitative level of productions in all sectors, and implementing the provisions of the 1981-1985 5-year plan; special attention will be given to eliminating some of the contradictions that were noted. I am primarily referring to the fact that the development of the energy and raw materials base is trailing behind the development of the processing industries. Thus the national conference particularly stressed and adopted special programs aimed at implementing the provisions concerning more rapid development of mining and oil production and of other energy resources; measures were also adopted to substantially reduce consumption, in order to be able to cover all energy requirements from domestic resources and to become self-reliant from the viewpoint of energy.

Special measures were also adopted to more markedly develop our raw materials resources by utilizing domestic resources -- even poor deposits -- by reducing consumption, and by recovering and reutilizing materials. On this basis we plan to cover 50 percent or more of the raw materials required for our socioeconomic development.

In accordance with the 12th congress decisions, we adopted new measures designed to accomplish a new agrarian revolution and to more rapidly develop agricultural production. In view of the climatic conditions in Romania, we plan to intensify efforts to expand irrigated areas, to perform further land melioration, and to drain areas with excess humidity and make them fit for agricultural production.

Generally speaking, the national conference decided that resolute steps shall be taken to unwaveringly implement the above-mentioned strategic objective: the party program on building the comprehensively developed socialist society and on creating conditions for the transition to a communist society.

I want to mention that the results generally obtained in the first quarter of this year exceed the plan provisions for this period. All the necessary conditions are at hand for optimally implementing the decisions of the national conference, the plan provisions for this year, and the 5-year plan objectives.

Question: Romania's foreign policy of independence, self-reliant development, peace, and cooperation enjoys wide praise and appreciation in the international arena. Comrade Nicolae Ceausescu, please tell us about the positive role played by Romania's foreign policy at an international level and in the socialist construction in Romania.

Answer: Romania's foreign policy proceeds from the socialist principles of international relations, namely from the need to establish among all the socialist states and among all the states of the world relations based on the principles of full equality of rights, respect for national independence and sovereignty, noninterference in the internal affairs and mutual advantage, and on renunciation of the use and threat of force in interstate relations.

On that basis, Romania has developed and is intensively developing its relations with all the socialist countries in the belief that every possible effort should be made to develop cooperation among those states on the basis of the principles of scientific socialism, equality of rights, and mutual assistance.

We were always and are now guided by the fact that certain controversies and differences of opinion must be settled through negotiations, with a view to finding ways of overcoming any contradictions and consolidating cooperation and solidarity. Naturally, we consider that each communist party in a socialist country and each socialist country must fulfill its tasks in building communism in keeping with the conditions prevailing in the respective country and with its responsibility toward its own people.

Given the current international circumstances, we believe that it is more necessary than ever to strengthen the cooperation and solidarity among the socialist countries, with a view to resolutely promoting a policy of peace and disarmament, achieving a new world economic order, and settling all problems in keeping with each nation's independence requirements.

At the same time, we resolute advocate and broadly develop our relations with the developing and nonaligned countries.

I want to mention that Romania has relations with all the developing countries it is broadly cooperating with; that is in accordance with our general anti-imperialist and anticolonialist policy, a policy of peace and one aimed at establishing a new world economic order.

We are also broadly developing our relations with the developed captialist countries on the basis of the principles of peaceful coexistence. We believe it necessary to actively participate in the international division of labor and in international material and cultural exchanges.

Indeed, the above policies have won Romania many friends and great international appreciation; this has contributed considerably to our socioeconomic deveopment and to the implementation of Romania's program of socialist construction.

Obivously, a fact which I want to stress is that our relations of economic cooperation with the socialist countries and within CEMA played an important role in implementing our socioeconomic development program; a similarly important role was and is being played by our relations with the developing countries and with developed capitalist countries, and in general by our active participation in economic exchanges and by production sharing and scientific-technical and cultural cooperation.

I want to emphasize that in the current circumstances created by the international economic crisis it is required, and on this Romania is resolutely acting, to contribute to overcome the international economic difficulties and eliminate economic restrictions from international life. Along this line, we are making particular efforts to reorganize the financial and credits systems, to eliminate underdevelopment, and to establish a new world economic order based on equity and equality.

Our party and state believe that the complex international economic problems can only be overcome through intensive international cooperation.

Along this line I want to mention Romania's concerns with improving CEMA activities. We are thoroughly preparing to participate in the summit meeting that will address these issues, proceeding from the requirement to make the due improvements in the activities of that body, so as to permit a more frutiful cooperation among the member states and to jointly solve the complex problems concerning supplies of energy and raw materials, production specialization, and so forth.

Naturally, we firmly believe that this cooperation must be based on principles of quality and noninterference in internal affairs. It must promote the development of each national economy and close the gaps among the levels of economic development of the respective countries, and it must create conditions in which the member states can jointly solve various complex problems concerning international economy and modern science and technology. We believe that this will permit the CEMA member states to participate more actively in solving the complex international economic problems.

At the same time, I want to once again stress that we attach great importance and are making intensive efforts to develop economic cooperation with all the socialist countries. We believe that only in such conditions will we be in a better position to implement the party program and to continuously raise the level of civilization and the material and cultural well-being of our people -- the supreme objective of our party policy and the essence of our socialist society.

Question: Good relations of friendship and cooperation exist between the Chinese and Romanian parties, countries, and people. Comrade Nicolae Ceausescu, how do you view the current stage and prospects of these relations?

Answer: Indeed, sound relations of friendship, confidence and cooperation have been developing and exist between the RCP and the CPC and between the Romanian and Chinese peoples. Along this line I want to mention that through the years our parties and countries have actively cooperated in difficult circumstances for their socioeconomic development, as well as for the purpose of solving many international problems.

I want to stress the important role played by the Romanian-Chinese relations for the implementation of our program of socioeconomic development and of socialist construction. As I mentioned on my visit to Beijing last year, during my talks with PRC party-state leaders, the relations between our parties and countries have weathered many difficulties and have proven their endurance. I can state that currently these relations are very good, and that, in view of the relations between our parties and peoples and of our countries' socioeconomic development programs, there are good prospects for further expanding our cooperation in all areas.

At the same time, I want to mention the fact that our parties and people have actively cooperated over the years in solving many international problems. Now, too, we hold identical or very close positions on fundamental issues, and we are working for a policy of disarmament and peace, for respect for and assertion of national independence, and for establishing a new world economic order.

An important role along this line was played by mutual visits at various levels and meetings at a high level; each of those permitted us to devise ways to continuous improve and develop the friendship and cooperation between our parties and states.

I am looking forward to and our people will enthusiastically welcome the visit to Romania of Comrade Hu Yaobang, since we believe that it will mark a new and important moment in the relations between our parties and peoples, and that it will contribute to intensifying our economic, scientific-techncial, and cultural cooperation, as well as our cooperation in the international arena. In view of the above, I want to once again mention that the relations between our parties and peoples have a great future and that we will do everything in our power to develop them, since this is in the interests of both our peoples and of the cause of peace, independence, and cooperation in the world.

Question: XINHUA would be very pleaded to convey your thoughts to the Chinese people.

Answer: I have often had opportunities to familiarize myself with the work and activities of the Chinese people; I am aware of their great achievements in building socialism and turning China into a socialist country with a developed industry and agriculture.

Thus, I want to take this opportunity to wish the friendly Chinese people ever greater successes in implementing their program of socialist development and continuously raising their level of civilization and their material and cultural well-being. I wish them great prosperity and peace!

ZAGREB VIEWS POLISH MAY DAY DISTURBANCES

LD021933 Zagreb Domestic Service in Serbo-Croatian 1700 GMT 2 May 83

[Excerpts] At the beginning of this May Day international survey it would be a good thing to note two undeniable facts: This year's international workers holiday is taking place in the period of the most difficult economic and political crisis since World War II; and despite that, never before has the world experienced so many official May Day celebrations outside the socialist countries.

Unfortunately, during this year's international workers' solidarity day the people of Poland were divided by unrest and conflicts with the forces of order, caused by the alternative marches by the supporters of the former Solidarity trade union. Although these unofficial manifestations in 10 or so Polish cities rallied a numerically insignificant part of the nation, they indicate that forces still exist that are preventing normalization and negotiations and, to a certain extent, the development of the scenario for Pope John Paul II's forthcoming visit. It is difficult to approve of Lech Walesa's statement in which he expressed his pride for the unrest, which we now know has claimed one victim, and even more so for U.S. President Ronald Reagan's congratulations to the followers of the former Polish trade union. In any case, the events in Poland have diminished the chance for a complete abolition of martial law soon, as Jaruzelski announced yesterday.

PACT ON SERVICING USSR-MADE POWERPLANT EQUIPMENT

AU022024 Belgrade POLITIKA in Serbo-Croatian 29 Apr 83 p 10

[D.T. report]

[Text] At the Community of the Yugoslav Electricity Generating Industry in Belgrade yesterday an agreement was signed between representatives of the Invest-Import foreign trade organization and 12 thermoelectric powerplants from throughout the country on servicing Soviet equipment installed in these powerplants.

According to the Invest-Import records, 35 percent of all equipment installed in these powerplants is Soviet, and servicing, overhaul, and repairs have principally been carried out with the assistance of Soviet experts. It was agreed that our own organization be formed for servicing this equipment.

The signing of this agreement was attended by Lev Timofeyevich Shakhov, counselor of the USSR Embassy in Belgrade, and Djuro Podunavac, assistant president of the Federal Committee for Energy and Industry.

DELEGATION DEPARTS FOR TRADE TALKS IN ALBANIA

LD041023 Belgrade TANJUG Domestic Service in Serbo-Croatian 0909 GMT 4 May 83

[Text] Belgrade, 4 May (TANJUG) -- A Yugoslav delegation led by Djordje Markovic, head of the Department for Socialist Countries in the Federal Secretariat of Foreign Trade, left for Tirana today for the routine meeting of the Yugoslav-Albanian Commission for Commodity Exchange. The session, which will last from 4 to 7 May, will discuss reciprocal trade this year. Commodity exchange between the two countries this year should be about $126 million, with both exports and imports being equal.

FURTHER ON LCY CENTRAL COMMITTEE SESSION

Markovic Report

LD280120 Belgrade TANJUG Domestic Service in Serbo-Croatian 2015 GMT 27 Apr 83

[Text] Belgrade, 27 Apr (TANJUG) -- At the last session it was decided that the Central Committee should examine the activity of the League of Communists and all other subjective socialist forces in the realization of the goals and tasks of economic policy in 1983 and the conclusions of the third and fourth LCY Central Committee sessions. In this, we proceeded from the fact that the tendencies in socioeconomic trends at the start of the year, despite intensive social activity and certain positive results, were not satisfactory. There has still not been any significant turnabout in the quality of economic activity. This speaks of the great current difficulties in realizing the policy of economic stabilization and the League of Communists' policy this year.

I do not think it is necessary to describe the economic situation, as it has been thoroughly set out in the material for this session. It is necessary to concentrate on a small number of issues which are important to the activity and topical tasks of the League of Communists and other subjective socialist forces and to the mobility and unity of action, and primarily to the strengthening of political responsibility, in implementing the conclusions and economic policy for which we have opted.

The basic question to be answered is why, despite intensive social action and the adoption of many measures in economic policy, we are not succeeding in many areas of economic life in halting and reversing the unfavorable trends, in overcoming the difficulties and weaknesses more quickly, and in developing more resolutely self-management relations on the basis of the Constitution and the law on associated labor. In this we must establish what is objective and what is the result of weakness in work by the subjective forces, or a manifestation of ideological vacillation or even resistance.

From the information from the Central and Provincial Committees of the League of Communists it is clear that the activity of all social factors in the country in the realization of the economic development tasks and the conclusions of the third and fourth LCY Central Committee sessions is more intensive and increasingly organized and substantive, even though it is being carried out in complex socioeconomic conditions and reduced material circumstances. It is incontestable that great efforts are being made by the working people in associated labor in realizing the tasks of the economic stabilization policy. The willingness for greater sacrifices and the resolve to make an effort is evident. For this reason we should not pass over the numerous weaknesses in the activity of the League of Communists, the manifestations of opportunism and uncertainty in many areas, the inadequate organization and therefore responsibility and capability for realizing the goals and tasks of the established policy.

The awareness is growing in society of the need to step up discipline and improve the work attitude everywhere and at all levels. Demands are growing for total responsibility in carrying out the tasks and in implementing the law, agreements and contracts. In many areas action has been strengthened to bring about changes in the attitude toward social property and to eradicate manifestations of earning income without producing any work results, the abuse of rights and privileges, corruption and other illegal phenomena and conduct. This action must be conducted even more resolutely and ceaselessly, the struggle against illegality being necessarily waged in a legal manner. Responsibility for the implementation of the Constitution, law, self-management agreements and contracts must be thoroughly stepped up.

The fact must be borne in mind that despite all activities, we have not succeeded in raising social awareness to the level of perceiving that dependence on one's own resources means: the activation and effective functioning of all mechanisms of the socialist self-management system which motivate the creativity of the working people, self-management income linking-up, the increase of income on the basis of growth in labor productivity and other qualities in economic activity. In the League of Communists action is not yet adequately directed toward creating social preconditions for the faster changing of socioeconomic relations in reproduction, the method of decision-making, the quality of the management of social means, or relations in the distribution [of income], or for strengthening the awareness that we can only live and develop within the bounds of the income which has actually been realized, and so on. This is a condition for success in this serious social undertaking -- radical socioeconomic changes and the profound transformation of society on the basis of the decisions at the 12th LCY Congress and the long-term program of economic stabilization.

Even though activity so far has not always produced the relevant results, it is contributing to a trend of gradual stabilization in the reproduction processes. Even under conditions of stagnation in the growth of industrial production and unfavorable trends in some other areas of reproduction, we have managed to increase exports, particularly to the convertible currency areas. The trade and balance of payments deficit is decreasing and the growth of consumption is slowing, though not sufficiently. In a word, initial steps toward stabilization are being taken. These initial results achieved in exceptionally difficult conditions should not be underestimated.

This is why the League of Communists and all subjective socialist forces must exert even greater efforts so that the positive processes can expand and extend to all the working people, all social subjects, and all the reproduction processes. Even greater social, political and material support should be extended to the work forces, vocations and skills, which are making an irreplaceable contribution to the realization of the goals and tasks of development and to the policy of economic stabilization.

The realization of the tasks in the course of development of socialist self-managing relations, especially with regard to the acquisition by the working people in associated labor of control over income and surplus value, is not satisfactory. Though this is a long process which is taking place in aggravated conditions, it is obvious that not all the necessary steps are being taken to avoid the impoverishment of the material basis of labor. This is indicated by data from final accounts for 1982. The taking away of income from the economy, carried out on the basis of decisions made by sociopolitical and self-managing interest communities without the participation of associated labor in order to meet various often subjectively determined needs, is continuing and this is taking place at the time of our firm policy decisions to ease the burden borne by the economy and implement the policy of economic stabilization. Communists in the delegate system and all other institutions of the system, as well as the organizations and leaderships of the League of Communists and other social factors and exponents of economic policy, bear responsibility for preventing the adoption of any economic measure which reduces the reproductive and accumulative capacity of associated labor.

The policy of expensive money or, in other words, higher interest rates, reduces the possibility of easier loans and uncertain investing. At the same time, it objectively represents a new burden on the economy, which is already too heavily in debt, reducing its capacity for better economic activity and ability to create the basis for greater

production and exports and to self-finance expanded reproduction. The pooling of labor and resources and the transformation of banks into associations of associated labor would fundamentally change the material position of the organizations of associated labor and weaken the negative effect of these trends in the field of credit relations.

An indicative detail is the drop in the resources gained by the economy. The coefficient of the circulation of capital funds dropped from over four in 1970 to about two in 1982. All this testifies to the need for energetic action aimed at eliminating the defects and deformations in the mechanisms of the economic system and economic policy, but also to the need to adopt measures in the organizations of associated labor themselves in order to improve the economic effect of their resources.

Analyses show that in their development plans the republics and provinces defined many of their aims and tasks differently than in the resolution for the whole of Yugoslavia. This particularly applies to the higher rates of growth of all forms of consumption, greater imports and the deficit in trade and the balance of payments, raising of loans abroad and so forth. This points to the need to strive, as has already been concluded, as speedily as possible for the coordination of all the medium-term plans, as well as the plan for this year. However, in the federation, too, there are still major unsolved questions which call for thorough discussions and for the coordination of the interests of associated labor in the republics and provinces. The overcoming of this state of affairs should make it possible to define as early as possible the platform concerning the changes and reform based on the foundations adopted at the congress. The commission of the federal councils for the problems of economic stabilization is expected to publish the results of its work on this subject shortly.

The long-term program of economic stabilization should provide the real, fundamental basis for the revision of the plans up to 1985, for the adoption of the future medium-term plan and economic policy measures at all levels of social planning and decision-making. It should be a platform for the broadest and most uniform social action aimed at developing socialist self-management and achieving the country's material progress.

It is true, however, that there has been inadequate involvement at all levels in the concrete formulation of the solutions which have already been approved in the work of the commission of the federal social councils, though there are no obstacles to such involvement. Delays due to the fact that the commission has not yet completed its work are not justified, though the demands for the completion of its work are justified. This attitude of waiting in many cases reflects the existence of opportunism, as well as differences of views on a number of policy decisions. It is of exceptional importance that work should now already be organized in formulating the adopted solutions as speedily as possible and building them into our economic instruments, into our economic and development policy at all levels, from the basic organization of associated labor to the federation. This is one of the biggest tasks in the next period, a task for which all the creative energies of our society should be mobilized. This is also a prerequisite for attaining better quality in economic activity.

It is undoubtedly necessary, and this has also been concluded, to adopt in good time all the regulations, measures, social contracts and self-managing agreements and all the accompanying documents which establish the conditions of economic activity vital for the realization of economic policy this year. It is a fact that many measures have been delayed. Because of delays in coordinating views and reaching accord, numerous questions have had to be regulated by means of temporary, short-term administrative measures. This gives the organizations of associated labor a feeling of uncertainty in economic activity, production and exports. Here it should be noted that the political preparation of some measures for the public is extremely inadequate. This problem would be far less pronounced if the constitutional role of SAWP, the trade unions, the League of Communists and other subjects of the political system were realized in practice. The situation which occasinally develops in which the Federal Executive Council or the Assembly adopt measures and the sociopolitical organizations have to secure political support and disciplined compliance is untenable. Coordinated and joint activity in keeping with constitutional principles are necessary.

The SFRY Assembly and other federal organs do not manage to reach timely agreement on many solutions and economic policy measures which represent a component part of the conditions of economic activity this year. On the other hand, even when agreements are reached, the coordination on the application of agreed and adopted measures takes a long time. Because of all this, work should now already begin on the concretization of economic policy goals and measures in order that the economy can enter the coming year with fully known conditions of economic activity. These conditions should not be changed because this reflects very unfavorably on an already developed economy such as ours.

Our present socioeconomic development demands that we reach incomparably more quickly -- through consultations and reaching of agreements -- coordinated and joint interests in many spheres of social and economic life and agreements by which the republics and provinces assume the obligations for the implementation of joint interests. It goes without saying that there are objectively different material interests in the republics and provinces. This again does not mean that the general and joint interest is merely a collection of separate interests. In a community such as ours, understanding of the interests of others is necessary, as is an understanding of the general and joint interest, along with a readiness not to defend every momentary and short-term interest, and in particular not to block the adoption of decisions essential to ensure the continuous process of reproduction. It is important to stress that a fundamental prerequisite for the implementation of these processes is that associated labor become more fully manifest and not that state structures emerge as exclusive representatives of these interests. This can be achieved only with the consistent development of self-management and of the delegate system.

In the functioning of our system, as stated, it is of exceptional significance that everyone bear full responsibility for the implementation of tasks and functions assigned to them through the Constitution, the laws, agreements and compacts. This component of the economic and political system should be made fully incisive. The Federal Executive Council, for instance, has a constitutional responsibility to the SFRY Assembly, but the Assembly delegates cannot put questions to the Federal Executive Council concerning those spheres of economic policy for the implementation of which republics and provinces and their organs are responsible and on which precisely the delegates should inform the SFRY Assembly. This also refers to the self-managing interest communities and other organs and organizations.

It goes without saying that the League of Communists, too, bears its share of responsibility for the activity of League of Communists members in all institutions of the system in which it should ensure the implementation of established policy.

There can be no responsibility in the system of socialist self-management without the implementation of the public nature of the work of collective organs, leaderships and individuals. However, to realize the public nature of work in a multinational and federal community such as ours is objectively a complex and delicate matter. One must not lose sight of the fact that the economic sphere and the various interests which objectively exist could be and have usually been the source of nationalist phenomena. This imposes a great responsibility in the public treatment of oustanding issues and in the readiness to take into consideration all objectively existing manifest interests of others. But one must always bear in mind that the public nature of work as a democratic achievement and constitutional obligation represents the prerequisite of responsibility and the instrument of influence by society on the implementation of its goals.

In discussing the economic trends, one cannot bypass the great influence exerted by factors in international economic and political relations, which are beset with crisis situations, and by the desire of industrially developed countries to retain and strengthen their dominant position in the international division of labor and to shift the burden of their difficulties onto developing countries. This is manifested in the policy of high interest rates, instability in the prices of raw materials, severely restrictive conditions on imports of goods and sale of technology, etc. Instability and uncertainty in the world market, stagnation of economic activity, inflation, unemployment, the crisis of the world monetary system and the strengthening of the tendencies of isolationism and protectionism have assumed more lasting characteristics. However, in such conditions we can still do much more to equip our economy so that, through speedier adaptation and efficient measures in the internal sphere, the blows of foreign economic encirclement are eliminated or at least alleviated. The main strategy of defense from unfavorable outside influences must be an increase in the competitive ability of the economy in exports, a change in its structure, better use of all material and human potentials, the strengthening of productivity and [words indistinct] of economic activity.

At this point in time the major problem is that the tasks in ensuring the continuity and the envisaged growth in industrial production are not being implemented. From the material which you have received you can see that the growth of industrial production varies from republic to republic and from province to province and in individual industrial branches. Seen as a whole, industrial production in the first 3 months of this year stagnated. Certain objective factors and, above all, the major problems carried over from last year which cannot be resolved easily and in a short period of time have also exerted an influence on this. In the same vein, all effects of the economic policy and of the measures adopted for this year, too, cannot be demonstrated so quickly. Yet, judging from everything, many social factors have not acted in such a way as to ensure an efficient resolution of problems in production, exports and other spheres of economic activity.

It is a positive fact, however, that certain branches of industry which are particularly important for our overall development, such as coal processing, the production of oil derivates, ferrous metallurgy, electric energy, chemical production and some others, are registering growth in production. Tendencies exist for the continuation of this growth during the course of the entire year and for the increase of production in some other branches of industry. We must endeavor to see that the growth of industrial production is realized as planned for this year, because we do have possibilities for this.

As we know, the tasks in the area of agricultural production are, in the main, being successfully realized despite considerable difficulties. Thanks to the organized efforts of all social subjects, the plan for the autumn sowing was successfully fulfilled. Great efforts are being made to complete the spring sowing successfully and on time. The realization of the planned production in agriculture is of primary importance for the stabilization of the market and overall economic trends, so that we can finally free ourselves from importing wheat and other agricultural products which we can produce at home in sufficient quantities for our domestic needs and for export. It is worth bearing in mind that agriculture is several times less dependent on imports than industry. The greatest attention should be paid to agreeing on agricultural production and buying up produce on time. This means tighter self-managing links among producers, transport organizations and consumer centers. It is particularly important to speed up the process of association of individual agricultural producers and linkage with the social sector.

The main problem in the area of production is the inadequate supplying of industry, agriculture and other economic activities with raw materials, reproduction and other materials. Supplies in the first quarter of this year were worse in relation to December, both from imports and from domestic sources. In addition to the great shortage of imported raw materials brought about by the balance of payments problems in conditions where many questions in the foreign exchange system are unresolved and in which there is constant essential insistence on the greatest possible quantity of exports, particularly to the convertible currency area, we are also experiencing an increasingly irrational export of domestic raw materials and reproduction materials, which further aggravates the situation.

We cannot successfully achieve our strategic aim (exports) and other goals of our economic policy if stagnation in production continues, or if production is threatened by lack of raw materials and reproduction materials. An improved balance of payments situation cannot be achieved by continual reduction of imports, but primarily by increasing production and expanding exports, particularly to convertible currency markets. Thus, securing continuity of the production process remains the basic problem and task which should be at the center of activity by subjective factors in associated labor and in society.

One of the basic factors in resolving the problem of continuity of production is developing the process of pooling labor and resources and the self-managing association of producers and processors on the basis of joint revenue and income on the uniform Yugoslav market. This is very important not only for solving the problem of current and expanded reproduction but also for the self-managing integration of Yugoslav society as a whole. That is why it is necessary to support the work of the League of Communists' action and program conference and other forms of coordination between communists within integrated work organizations, large systems, reproduction cycles, branches of the economy, and so on. Such activity by communists should contribute to strengthening income-based relations and connections, better distribution of work, pooling labor and resources, strengthening self-managing connections and struggle against the isolation of reproduction currents. This is the way to overcome the haphazardness and particularism which causes great economic damage, and at the same time harmonize individual and common interests, to make better use of capacities, to reduce interruptions in production, and to remove the phenomena of breaking agreements on pooling labor and resources.

Breaking up and closing markets and severing the economic processes between individual organizations of associated labor, municipalities, regions, republics and provinces is one of the most dangerous tendencies with regard to socioeconomic development and the agreed economic-political line in stabilizing and remedying our economic situation. This conduct is alien to self-management, economic logic, and the character of relations in our equal socialist self-management community.

From the material you have received it is clear that, in view of the level of production and the conditions of economic activity, a relatively high growth of exports was achieved in the first 3 months of this year, particularly to the convertible currency area, and that the degree to which imports were covered by exports was considerably increased, thus reducing the trade deficit. These are encouraging results, even though the period is too short to be able to give a more complete assessment and forecast trends in exports to the end of the year. Through measures of economic policy even more resolute support and stimulation should be given to this activity and orientation so that it lasts and continues, and so that our economy, both in the number of organizations of associated labor and in the volume of exports and modern forms of economic cooperation, becomes involved in a more all-round fashion in the international division of labor.

Results achieved in the sphere of exports and overall economic relations with foreign countries are nevertheless not satisfactory and fall short of the plan predictions for this year. Many organizations of associated labor, struggling with high inflation rates, constant pressures on the upward growth of production costs, foreign currency fluctuations and so on, are managing, with the enhanced commitment of working people, to attain production which is competitive on the foreign market and particularly the markets of industrially developed countries. Nevertheless, it should be pointed out that our economy suffers from many shortcomings, complaints about quality and damage.

A contribution to realizing the orientation toward, or increasing of, exports and thereby guaranteeing the foreign liquidity of the country, should come in particular from strengthening the income and overall economic linking-up between the organizations of associated labor in production, trade, and other activities, on the basis of pooling labor and means and sharing in the jointly achieved results. This is a matter of prime political and economic significance. Action must be taken to create objective economic stimuli and to develop the awareness that raw materials and other resources derived from imports can only be ensured through increased exports, either directly or through the organizations with which they are connected in reproduction or income generation. This is the economic motivation which induces an organization of associated labor to export, regardless of the current market situation and higher prices on the home market. Naturally, the basic problems continue to be restricting consumption and bringing funds earmarked for expenditure into line with production.

The structure of imports at the start of this year was not in accordance with agreed policy; imports of raw materials and reproduction materials necessary for the production of exports and the import of consumer commodities in short supply, fell short of agreed targets, while imports of equipment exceeded them. The explanation is constantly put forward that we are dealing here with equipment whose purchase was previously agreed upon and paid for. Our measures must be directed toward preventing the possibility of new imports of equipment beyond the envisaged balances and toward complete control in this area, and not toward preventing this at the customs point by refusing the importation of something which has already been paid for. We must examine this matter from all angles and establish mechanisms to conduct the stabilization policy consistently and rationally in this sphere, too.

Much of what we import can be produced by our organizations of associated labor from domestic raw materials, and can be of high quality and competitive with respect to world market criteria. However, possibilities here are being neglected, even though we have capable scientific and expert cadres both in work organizations and in institutes. This has a very unfavorable long-term effect. Science as a production force should be given greater material support and not denied this in conditions of economic difficulties. The League of Communists should support all initiatives in this direction and economic policy should stimulate them. These initiatives imply, of course, greater stimulation for creative work, innovation, rationalization, and science.

There is no doubt that much more could be done to increase the inflow of invisible earnings. This relates primarily to tourism. Trends in the first few months of this year and forecasts for the tourist season indicate that set tasks are not being fulfilled and that the great possibilities which exist here are not being adequately used. Preparations for more organized tourist services, from advertising to supplies, are proceeding slowly and do not meet the demands of modern tourism or of our true potential. Therefore, it is necessary for all factors to see where their interests lie and to define programs to facilitate the long-term and stable development of tourism, linked to overall economic development. In addition to regular supplies of goods necessary to meet tourist demands, we need to give pride of place to better services and efficiency, which is the essence of stabilization efforts in tourism -- an economic branch in which Yugoslavia has a great comparative advantage.

Foreign trade organizations play an important role in realizing export plans and in implementing import policy. Recently, the rational set-up of the network of foreign trade missions abroad has been the center of attention. However, the question of transforming this network as well as the foreign trade function as a whole and making the realization of income in foreign trade directly dependent on the realization of results in exports is being neglected. In fact, income in foreign trade is acquired more easily through imports than exports. This is one of the fundamental reasons for foreign trade organizations having insufficient interest and economic coercion to involve themselves more in exports, particularly to the convertible currency market.

In order to achieve the major tasks in exports, foreign liquidity and economic relations with other countries, it is necessary to begin as soon as possible to apply the solutions of the law on foreign exchange transactions and credit relations with other countries, adopted by the SFRY Assembly at the end of last year. This also implies consistency in implementing the active policy of a uniform real exchange rate for the dinar, fairly complex in conditions of high inflation, which is [words indistinct] with the changing of the exchange rate. In this connection it is necessary to fully coordinate as soon as possible the attitudes toward some concrete questions in connection with which there are disagreements in practice, such as barter deals, the relationship between exports and imports in the clearing and convertible area, substitution of imports, foreign exchange compensation, border area traffic, etc.

Organizations of associated labor are greatly encumbered by inefficient and complicated administration at all levels, particularly in connection with the issue of various permits, licences, certificates and the like in connection with import and export transactions -- even when the minutest spare parts and small sums are involved. The number of administrative measures which regulate these problems is continuously increasing. It should, therefore, be necessary to urgently examine the entire procedure concerning export and import deals and simplify this procedure as much as possible in order that the export orientation should be made easier and assisted, and not made difficult, also from this aspect.

Our principled attitudes toward developing comprehensive economic cooperation with all countries and regions of the world on an equitable basis are known. What is missing however, is a long-term strategy for economic relations with other countries which would also incorporate the regional aspect of these relations.

Cooperation with countries in the convertible currency area is exceptionally significant in resolving the problems in the balance of trade, balance of payments, and foreign indebtedness, as well as the problem of strengthening the ability of the economy to compete. Our cooperation with the countries in the clearing area is also very developed and we must continue to develop this cooperation in line with our mutual interests and needs. In particular, we must expand and enrich the economic cooperation with developing and nonaligned countries. Here we are lagging behind in the light of our possibilities and needs, as well as of jointly established positions at nonaligned meetings, particularly at the seventh summit in New Delhi. We are expending enough effort to expand this cooperation to a greater number of countries for our mutual interests.

A special problem is the fact there is not even a minimum number of the trade missions necessary, or we are not sufficiently represented in general in developing countries which is necessary in order to examine the market and to structurally adapt our production to exports to these countries. Despite clear attitudes, we are not succeeding in expanding the network of missions, just as we are not succeeding in rationalizing this network in other parts of the world.

The documents of the 12th LCY Congress, the conclusions of the third and fourth session of the LCY Central Committee and the 1983 resolution determine the resolute orientation that we should implement the policy of relying on our own forces in our socio-economic development. Such a policy has no alternative. This policy, however, has not been sufficiently elaborated and this should be done as soon as possible through a revision of the development plans, economic policy measures and relevant instruments of the economic system.

We must use the credits from agreements we are concluding with countries which are our largest economic partners as well as the credits from agreements we are concluding with international financial institutions for the purpose of supporting our stabilization program, for strengthening our potentials more adequately, and for structural changes which will make our more rational participation in the international division of labor possible. Only in this way will these credits be used in the context of the policy of reliance on our own forces. Foreign credits, therefore, must be used exclusively to support production of exports, which ensures the country's foreign liquidity, to repay foreign debts on time, to normalize the domestic market in terms of products in short supply, and to strengthen foreign exchange and commodity reserves. It is necessary for the organs of the federation, republics, provinces, and organs of self-managing organizations and communities to realize full coordination and control in incurring, using, and repaying foreign debts. We must examine separately the serious problems in connection with repaying debts from earlier years and reach agreements as soon as possible on the method of resolving them.

Despite the definite efforts which are being made, trends in consumption in the first months of this year continue to be out of step with the agreed policy. The realization of this task does not depend on any external factors. It is in the hands of associated labor, the banks, and other self-managing and social factors, and, above all, in the hands of the organs of the sociopolitical communities. Because of this it must be said who is not carrying out the agreed tasks and why. A particular role is played and responsibility for realizing the consumption policy is borne by the republics and provinces and by municipalities. This responsibility cannot be transferred to the Federal Executive Council and other organs in the federation though they, too, have their share of responsibility in all this.

Bringing consumption in line with production and income achieved is not a restrictive policy but a realistic and rational policy. Only higher production and higher income can provide the basis for increased consumption.

This is an imperative which must not be questioned either in individual or in general behavior. Our society as a whole must orient itself far more toward production and toward creating the conditions needed to affirm economic work, rational and expert activity, and efficient business policy than toward consumption.

There has been no real reduction in investment spending though the growth of total investment in the first 2 months was somewhat slower. An important fact in this connection is that within the framework of reduced volume the share of economic investments has risen. In this respect, then, certain results have been achieved, but all this is insufficient to realize the economic stabilization policy. Though the dynamism of investment growth is slowing, the investment front continues to be broad. Few of the planned investments have been given up. Primarily what we have are postponements or changes in the agreed construction schedules, which only serves to increase the construction costs. One of the worst problems is that decisionmaking on investments continues to be dominated by structures outside the organizations of associated labor -- organs of the banks, self-managing interest communities, and sociopolitical communities. This affects the quality of investments, the way they are planned, and their profitability and leads to construction schedules being extended and to higher costs than estimated, all of which are the basic causes of investments exceeding the agreed limits.

The task ahead of us is to rehabilitate, reorientate and normalize the entire investment sector. This task is complex and difficult, but it cannot be postponed. The excessive manner of tackling individual failures is not the right method. The reduced amount of funds earmarked for investments should primarily be channeled toward priority aims, that is, toward production for highest export, production of indispensable raw and reproduction materials, and toward those activities which contribute to more rapidly changing the economic structure in accordance with the policy of stabilization (agriculture and energy).

Facts show that no real change of direction has been made with regard to reducing general and joint consumption and bringing them in line with real income, although one cannot deny that some definite results have been achieved in individual republics and provinces. We have not yet built a set of instruments of the economic system that would bring the movement of general and joint consumption into line with the real interests of associated labor and, above all, with its possibilities.

It is indispensable to be more resolute in working for changes in the system of taxation and contributions in keeping with the interests of associated labor, implementing in the course of this the solution given in the separate reports of the commission for questions of economic stabilization of the federal social councils. Likewise, it is important to be consistent in the struggle for application of the principle of free exchange of labor. It is necessary to act more resolutely and in a more concrete manner in reassessing the network of various institutions and rights and in working toward their transformation, because it is impossible to reduce consumption if everything else remains as before. This presupposes rationalization of economic activity and work in all social activities, more courageous abolition of superfluous and socially unnecessary institutions and opposition to localist tendencies according to which everybody should have "his" own institution and be able on his own to satisfy all social needs. At the same time, it is necessary to ensure normal conditions of work and operational funds for those institutions which are really needed by society.

The problems of financial indiscipline and mutual financing without cover are becoming increasingly acute and the problem of economic illiquidity, which threatens the already difficult situation in the functioning of social reproduction processes, is becoming more acute. There are many causes for this ranging from shortcomings in the monetary system to mistakes in carrying out the current crediting-monetary policy.

Therefore it is necessary, in keeping with the long-term program of stabilization, to prepare as speedily as possible a program aimed at restoring the health of financial processes in the economy and other social activities, bearing in mind real relations and the need to tighten responsibility for financial indiscipline in present-day conditions. It is clear that these problems cannot be solved quickly, but an agreed program must be prepared for tackling them at all levels, starting from every basic organization of associated labor.

Realization of the policy of economic stabilization calls for definite material sacrifices to be made by everyone, and even for a reduction in personal consumption and in the growth of the standard of living. In the course of that it is necessary to insist on the appropriate involvement of every communist, especially in the trade unions, in the effort to apply the principle of distribution according to the results of work, on the basis of the criteria established in the law on associated labor, and particularly in the effort to value production and creative work more highly. Certain results have already been achieved in this respect, but they are not sufficient to give any greater boost to the basic motivational factors which encourage workers to increase production, income and exports and to achieve better quality of economic activity. This is the key question of our development and economic policy.

In present-day conditions, especially as a result of the effect of the high rates of increase in prices and the cost of living, the standard of living has fallen and social problems have grown more acute. An integral part of the workers' rights and responsibilities is that in their organizations of associated labor and through the councils of associated labor and self-managing interest communities they should bear in mind the need for class solidarity, in other words, they should establish and carry out the appropriate social policy. Communists and self-managing organs and the trade unions should particularly involve themselves in this in keeping with the adopted programs of trade unions.

At this moment it is necessary to have a particularly clear grasp of social problems in the big towns and industrial centers in which large numbers of working people live who have no source of income except what they receive as personal earnings.

When economic policy was being determined it became clear that greater orientation toward exports and reduction in possibilities of imports would lead to weaker supplies to the domestic market and that this problem could not be resolved quickly. The orientation has, therefore, been adopted to ensure supplies of basic vital products for the population from domestic sources and through imports. However, the efforts by responsible social factors to resolve these issues more efficiently have not been sufficient. The League of Communists cannot reconcile itself with such a situation, but must demand the full responsibility of all social factors for a more orderly supply of vital products for the population.

Very complex and difficult problems manifest themselves in the sphere of prices. The trends in the first 3 months of the year are at variance with the stabilization policy. This continues to be one of the weakest links in the implementation of the economic policy.

Therefore, resolution of the problems in the sphere of prices and primary distribution as a whole should be approached immediately along the line of the orientations arrived at by the Federal Council's Commission for the Problems of the Economic Stabilization. There must be a greater orientation of economic subjects towards an increase in labor productivity and the efficiency of economic activity and not toward price increases. Communists and trade union members must be more intensively involved in the implementation of price policy, but above all in their organizations of associated labor. It is necessary to determine as soon as possible the program for gradual elimination of the state of maximized prices in a way which would not lead to a further increase in inflation and which would allow measures of direct price control to be retained everywhere this is necessary due to the absence of relevant economic conditions for the abandoning of maximized prices.

In the present conditions of complex economic activity, the most severe unfavorable consequences are manifested with regard to the economically insufficiently developed republics, in particular the Province of Kosovo. Therefore, the League of Communists must insist that orientations of the 12th LCY Congress and of economic policy toward the speedier development of economically insufficiently developed republics and the Province of Kosovo must be implemented. It is necessary that with maximum involvement of the forces and potentials in Kosovo and in the Socialist Republic of Serbia and with action by society as a whole, the greatest efforts be made to resolve the numerous accumulated and exacerbated problems in the Socialist Autonomous Province of Kosovo more speedily and more efficiently along the path of realization of the adopted platform, and to implement consistently the policy of the speediest development of this province.

As seen from the materials you have received, the economic stabilization policy is being implemented differently in individual republics and provinces and in individual branches of the economy. The degree of efficiency in the work of individual organs varies. In some republics, for instance, weaknesses are manifested in the sphere of restricting consumption, investment consumption in particular; in others there is inconsistency as regards overstepping the framework for the import of equipment; while in some others again there is a great lag in production, there are differences in the way the volume of exports is realized, in particular to the convertible currency area, the obligations towards other countries and towards the federation are implemented unevenly, etc. Objective circumstances and specific situations in every environment also exert an influence on all this. I think that we are not in a situation to determine and assess all this at this session. Perhaps it would be good to decide that the Central Committee (or the LCY Central Committee Presidium) should do this in the next period with the leaderships of the Leagues of Communists of republics and provinces and then inform the Central Committee of the outcome. The same should be done with Communists who work in individual organs, organizations and institutions in the federation. Within the context of the struggle for a greater degree of responsibility, delegate assemblies at all levels of organization of our society play a special role.

The implementation of the economic stabilization policy demands that the League of Communists and all subjective forces come to grips resolutely and consistently in a committed way with all problems in seeking the best solutions and in overcoming the unsatisfactory situations. The worst thing is when, in such situations, opportunism, evasion of conflicts and confrontations in clarifying outstanding issues occur. This can only further aggravate and complicate the situation. The impression is that when tasks connected with restricting consumption are at stake, this is precisely what does happen.

The economic and social trends at the beginning of the year show that orientations of the 12th LCY Congress and of the conclusions of the Central Committee must be implemented even more resolutely, in a more organized manner, and more consistently.

We have all the basic orientations, and they should be consistently implemented. Along with uniform orientations, for the full success in implementing the established tasks, continuous struggle for the unity of action by the League of Communists and other socialist subjective forces is also necessary.

The initial results in economic activity, the halting of certain negative tendencies -- despite numerous difficulties and weaknesses -- as well as the entire strength of the self-managing socialist system, the production, cadre and other potentials provide the basis for the conviction that the set tasks of the economic policy and economic stabilization can be implemented.

It is very important to bear in mind that we are talking here about long-term tasks and about a fundamental change in production relations and management methods towards a vital and viable export-oriented economy in which associated labor will actually govern economic relations and social relations as a whole. The realization of the current tasks in economic policy is to serve these goals. In our concrete assessments and conclusions in all areas, we must therefore be objective and give in to contradiction as little as possible. We must not pass over one problem, difficulty or weakness in silence, nor should we remain silent about real results or positive changes. It is nonrealistic to insist that the tasks are long-term and that they mean a process of complex changes and transformations, and at the same time display nervousness and impatience when there are no immediate results. Remaining on the course of the economic stabilization policy even in the present circumstances, when this is very difficult, bearing the consequences of the struggle for this orientation, and effectively carrying out the tasks of the current economic policy -- this is the condition for realizing our tasks more quickly, successfully and fully.

Ribicic Concludes Session

LD292023 Belgrade TANJUG Domestic Service in Serbo-Croatian 0900 GMT 29 Apr 83

[Text] Belgrade, 29 Apr, (TANJUG) -- Mitja Ribicic, president of the LCY Central Committee Presidium, concluded the discussion at the seventh plenary session of the LCY Central Committee with the following assessment:

"At today's Central Committee session, we considered the activities and responsibility of the League of Communists in carrying out the conclusions of the third and fourth sessions on economic policy and the resolution on economić development in 1983.

We have not assessed these activities only at this session; we also assessed them at our Presidium's sessions. During the preparations for this session we also stressed certain results, perhaps even better than noted at today's session in some of the general conclusions, in the sense that all the factors in the federation and in the republics and the provinces have made concrete efforts to carry out the conclusions of the third and fourth sessions, that they have sent us reports and materials and that we have gained an insight, not a complete one, but sufficient to enable us today to jointly assess activities with regard to the realization of the third and fourth sessions. I think it is normal that the Central Committee should not only adopt new conclusions and new attitudes but check how the attitudes adopted at its preceding sessions are being implemented. This checking is probably even more important in this stage of the realization of economic stabilization than the adoption of any new, additional conclusions.

We jointly judged today that there has been a noticeable increase in the social activity of the League of Communists and of all subjective forces to implement the conclusions adopted at the two sessions mentioned and in the resolution for this year. These results were achieved in the quite difficult internal and foreign economic conditions of the battle for economic stabilization.

We noted that great efforts are being exerted by the working class and working people in associated labor to ensure the growth of production. However, there are also serious difficulties in this connection with regard to exports, to settling the problems involved in ensuring the supplies of raw materials, energy, and in other areas.

I think that we are all in favor of seeing these positive processes in development being given even more support. They should be given a powerful impetus, but at the same time we have all said that we are not yet content because we must do more and do it better.

The conclusions of the third and fourth session are still topical today and there is no need to change, delete, or add anything in them. It is perhaps necessary to say some things more precisely, to point at some things in more concrete terms, so that these conclusions can make themselves more strongly felt in our concrete economic policy. They continue to be our current ideopolitical orientation, a powerful weapon of the League of Communists and of all the subjective socialist forces in carrying out the major tasks of the economic stabilization policy. I think it should be noted that despite the intensification of political action in the League of Communists and in society, there should be even more resolute activity to create the prerequisites for changing socioeconomic relations in reproduction, the quality of economic activity, the attitude toward the use of social resources, and distribution according to the results of work. There should be greater awareness that one cannot live at the expense of others and that no one may base his own development on anything outside genuinely achieved income and accumulation.

The creation of these prerequisites is vital for the success of our present socio-political effort which represents a kind of social and economic reform of our society The League of Communists must go into the essence of the socioeconomic problems, it must be aware that our stabilization policy cannot be a policy of shortages, lines, lists, and coupons, but a policy of healthy development and of raising the production forces to a higher level, changing behavior on the basis of stronger socialist self-management, on the basis of work.

In the present difficult economic situation, when we need great unity of action and complete mobilization of all socialist subjective forces to resolve economic and other difficulties, the League of Communists is insufficiently involved with the masses, with the working class. Because of this situation there is evidence today both at the grass roots level and in the leaderships of the League of Communists of quite widespread phenomena of opportunism and even wavering in the implementation of the policy of economic stabilization and the further development of socialist self-management.

This wavering is reflected in the failure to carry out a series of major tasks in self-managing development, in our joint economic policy, in production, in investments, in joint and general consumption, in imports, in prices, in supplies, in the pooling of labor and resources and so forth.

Because of this opportunism and wavering there has been no differentiation or confrontation over these issues in the League of Communists and in other social structures with regard to the policy of economic stabilization and reliance on the orientations based on the Constitution and the Law on Associated Labor.

Consequently, a series of our problems remain unsolved. Therefore, we must inevitably conflict with all forces that remain in the old positions. This is the only way we can successfully implement the 12th LCY congress' guidelines, develop self-management, implement our policy of stabilization, and count on support from the working class and all the working people.

At this session we concluded that because we are preoccupied with current economic problems, we are not devoting enough attention to creating long-term prerequisites for the attainment of new quality levels in self-managing production relations. This would enable workers in associated labor to control income and expanded production. Economic policy measures at all levels do not have sufficient effects in this area and do not sufficiently proceed from the importance of economic motivation in attaining new quality levels in economic economic activity and developing socialist self-management. Without these the policy of economic stabilization cannot be successfully implemented and very major and acute economic problems cannot be solved. The fastest possible adoption of a long-term program of economic stabilization is certainly a vital prerequisite and condition for the success of our action.

At this session Comrade Kraigher informed us that the economic stabilization program will be completed during June. After the Central Committee discusses it, it will have to be discussed and adopted in the SFRY Assembly in order to become the country's policy and serve as a basis for working out the economic instruments and development policy of all social subjects and associated labor.

This final phase is an exceptionally important one in the production of the program, because it creates syntheses -- and there is no room here for compromise or relaxation. We must decisively and clearly express our reliance on society's progressive forces in order to give them fresh impetus in the long-term development of Socialist Yugoslavia and our original socialist path.

Here the League of Communists must be more decisive. We must involve ourselves more actively. Comrade Alimpic suggested forming a commission to put the stabilization program into operation at all levels. I think that we should give this proposal to the Assembly and federal councils so that they see how to most effectively put the program into operation.

For the time being the first and basic matter is to pass the program so that we can have this synthesis and the League of Communists and all responsible social organs in the federation and republics can support the greater use of the decisions that already exist in the Commission's reports and our practical political action.

I think these reports should be our weapons to free ourselves from practicism and pragmatism so that we do not [word indistinct] the current measures in the policy but rather seek and open up the working people's perspectives in this respect and transform this into measures of economic policy and social practice.

At today's session, in the discussion and in the opening paper, we clearly said that we should resolve our reservations in this respect and our ideopolitical disagreements with the stabilization policy. We in the League of Communists should most firmly eliminate these. I think that this session has also firmly emphasized that every attempt to introduce confusion with regard to the political and economic development of our system should be rejected. The Constitution, the Law on Associated Labor, and the documents of the 12th congress set out the solid bases and elements in our program, and I believe that none of this should be changed. Therefore, what we need to do is change a great deal in real social relations, particularly outdated practices that drag on despite all our documents -- especially in the area of expanded production and the role of the working class and associated labor in these areas -- the quality and methods of economic activity and the activity of social subjects and the Socialist Alliance. In other words, on the basis of all these reports and the work of this commission, we need a kind of work and behavior reform supported by a long-term stabilization program.

Moreover, proceeding from the 12th League of Communists Congress and the conclusions of the third and fourth sessions, we must consistently implement our decision that our basic direction in the socioeconomic area be toward realizing and working out the policy of reliance on our own forces. Not a single participant in the debate failed to confirm this at today's session, and this was also stressed in the paper. Reliance on our own forces demands tht we maximize our Yugoslav production, material, cadre, scientific, and other potentials and the advantages of our self-managing system. On this basis we must liberate further production growth. In particular, we must increase our exports to the convertible currency area, increase our economy's participation in the international division of labor, more effectively resolve structural problems, and achieve other aims of economic stabilization.

Today's session demands that the fourth LCY Central Committee session's conclusions and the legally established criteria and procedures be respected in utilizing foreign credits. The session added one more demand to these conclusions: It is essential to urgently adopt a program for securing the country's external liquidity for this year and a longer period. I believe that we should realize this demand as soon as possible.

It is of the greatest importance that continuity of the envisaged growth and structure of production be secured. All basic organizations of associated labor and all other social subjects must do everything possible, primarily on the basis of strengthening the process of pooling of labor and resources and acquiring income on the basis of joint revenue and income, to increase to the maximum the production and rational use of raw materials, reproduction materials, and energy from domestic sources. This should facilitate the growth of production, above all, for export to the convertible currency area. The economic policy measures must stimulate and support the initiatives for the self-managing organization and income-based association of basic organizations of associated labor in the economy and other activities in the direction of increasing production for exports on the basis of concrete programs and plans.

The implementation of the tasks in the area of economic relations with other countries, which were also at the center of attention at today's session, particularly in connection with securing the external liquidity of the country, demands that a reduction in the importation of equipment be carried out decisively and consistently in accordance with the established framework of the stabilization policy.

I think, comrades, that we should also present the demand at this session that the question of the importation of equipment should be resolved. These are our internal weaknesses. Here we need to take a look now at who is importing and why he is importing, what investment programs are benefiting, and so on, and we should pinpoint specific responsibility and not make the excuse that we are not in a position to resolve this. I think that this should be urgently examined in the competent organs of the federation, republics and provinces, and economic mechanisms established for consistently carrying out the agreed stabilization policies in this area too.

In the consumption sphere we are not implementing the established policy. From the federal to the municipal level we are violating and deviating from the resolution established for this year. It appears that this resolution only exists for everyone to calculate something for himself, a kind of minimum, to spend as much as it suits him, as he himself has calculated. There is not a single republican resolution which would not deviate from the federal resolution, not a single municipal one which would not deviate from the republican, and not one organization of associated labor which would not reckon with some investments beyond the possibilities of its own real income. The credit policy is still being carried out in this respect. I believe that this is impossible, that we in the League of Communists cannot tolerate such deviations. Seen individually they are small deviations, but if the whole of Yugoslavia does this, then inflation will result.

We speak of inflation and of prices being on a rampage as if somebody else were the cause. We do not see here the basic causes of inflation which are also linked with our credit-monetary policy, with our banks which are a law unto themselves, and so forth. I think that starting with today's Central Committee session we should not tolerate, nor should the League of Communists or any other social structure tolerate, anyone behaving in an extremely opportunist manner, or excuses as to the existing situation, one-sided interests, opposition to the policy jointly agreed on, or disrespect for the tasks and goals of our entire social community. One-sided interests must be coordinated with joint interests on the basis of our democratic centralism, and if this joint interest is agreed on it is a law which applies to everyone.

In this context one cannot allow some kinds of behavior under the pretext of special national or regional or some other exceptional needs. We are real masters in making excuses. An end must be put to this once and for all. The League of Communists must get away in a most resolute manner from phenomena of uncritical support for calculations by individual structures in the republics and provinces without there being both readiness and efforts to look for, to support, and to realize the joint interests of all nations and nationalities, of all republics and provinces. It is in this context that we, the federal executive and administrative as well as other organs and consumers at the federal level, set an example of stabilizationary saving. In the same vein, order should be introduced in the republics and municipalities. Solving the problems of consumption does not depend on external factors: This is a matter for us; in this we are the chief factors. The chief responsibility for the implementation of the policy in this sphere lies with the social and self-managing organs of the republics, provinces and municipalities. It is they who regulate nearly all questions in this sphere and there is no point in looking for excuses in this sphere. The responsibility of all social subjects for the implementation of the consumption policy cannot be made fully incisive because any deviations are directed against the policy of economic stabilization and socialist self-management.

It stems from today's debate that the Central Committee believes that in addition to adopting additional measures, a relevant program of efficient resolution of problems of internal liquidity in organizations of associated labor and in banks should also be urgently worked out.

This was also contained in the demands made by the third and fourth sessions, but it is the Presidium which should be empowered in this context to set deadlines for these obligations so that we can have such a program as soon as possible. After all, everybody knows that this is one of the gravest problems of foreign liquidity in our economy. This cannot be resolved overnight, but we can and should have a gradual rehabilitation program.

It is also necessary to create conditions, through undiminished work by all social subjects, to ensure a regular supply of basic foods and medicines to the population. Nobody bearing responsibility for this can be freed from his responsibility. We cannot tolerate bureaucratic relations and insensitivity of many responsible factors for the vital problems and difficulties of the working people.

We must introduce order in this and if some are incapable of knowing how to do this, then let them cede their posts to those capable of organizing these matters properly.

I believe that the price trend is contrary to the economic stabilization policy and to all our political conclusions and that we cannot remain in the present situation. Responsibility should be made more incisive; all responsible social subjects must

be required to slow down the present wild price increases and pressures on prices, to have prices brought into line with the stabilization course. The program of implementing the price policy this year and of grandual extrication from the present situation of maximized prices, which would make it possible to abandon measures of direct price control but in a way which would lead to a reduction rather than an increase in inflation, is one of our main tasks.

There should be resolute insistence on conditions being created for workers in organizations of associated labor and the organizations of associated labor becoming the real exponents of the price policy and strengthening decision-making on the entire primary distribution. The struggle must be waged in organizations of associated labor to reduce the costs of business activities, to increase the use of capacities and the quality of production and not for all internal problems to be resolved by putting pressure on price increases. It is of great significance that the trade union organization realizes its influence on the price policy, above all, in organizations of associated labor, but also at other levels.

In the present complex economic conditions of development, the social problems, in particular, of individual categories of workers and the population have become aggravated. The problem of employment has become aggravated. All this should be a component part of the rights, obligations, and responsibilities of workers in associated labor; they should take into account solidarity. It is through broader associations of self-managing interest communities that councils of associated labor should efficiently resolve joint issues of solidarity in line with material possibilities and real income. It is of fundamental importance that all social subjects begin as quickly as possible with the elaboration and practical implementation of the orientations contained in the special paper on social policy of the Commission for Questions of Economic Stabilization in order that the program of resolving social problems in organizations of associated labor, municipalities, towns, republics, and provinces can thereby be determined. I believe it necessary for the Central Committee to demand that Communists participate actively in and extend full support to the action (?by social subjects) in resolving the problems of the social policy in line with the economic stabilization policy.

I would add yet another element. We have spoken much about the category of workers who live only off their work and who have minimum incomes, but we have spoken less about the category of, I would say, idlers and some strata in our society, who live in idleness and who are becoming rich at the expense of our difficulties and a shortage of some products. At the same time, when we are fighting for the social policy and solidarity, we must also give greater effect to tax policy as well as all other possibilities of appropriating extra revenue wherever they might emerge.

We ascertained today that the economic situation varies from republic to republic and from province to province in view of our having different degrees of development, different economic structures and different consequences of the effects of individual measures of the economic stabilization policy and I believe that it is necessary for the republics and provinces to take into account not merely their own situation, but the situation in other republics and provinces, and that it is necessary to ensure, in line with the joint policy, more efficient agreement-reaching and consultation, mutual assistance in solidarity, in line with the policy and the system of relying on one's own efforts in order to overcome more efficiently economic, social, and other problems and to ensure, on constitutional foundations, the conditions of the further social, material, and cultural development and affirmation of the nations and nationalities of the republics and provinces.

At today's session we demanded reports from the republics and provinces. We believe that it is a good thing that the practice be introduced in the Central Committee of holding a specific debate on individual questions of implementing some conclusions, and on the way they are implemented in individual republics or provinces.

On the basis of this experience, the Central Committee should instruct the LCY Central Committee Presidium, as its politico-executive organ, to demand from all leaderships in the country, and in particular from leaderships of the League of Communists of the republics and provinces, to commit themselves even more specifically, more speedily, and more fully to the implementation of the economic stabilization policy and of the joint economic policy of the country. Much has been done in this respect, but I believe that, nevertheless, not enough has been done and what has been done was done without that specific responsibility which should come in the wake of every deviation from our country's joint economic policy. In line with the powers, rights, and responsibilities, the entire economic and political mechanism should be activated in this task: the SFRY Assembly, the Chamber of Republics and Provinces, assemblies of all republics, interest communities, executive organs. The Assembly's Chamber of Republics and Provinces should hold open debate on the implementation of the economic policy of Yugoslavia, of individual republics and provinces, and point out the possibilities of resolving jointly the problems in individual environments; nevertheless, responsibility for not implementing the established policy should also be demanded.

Every social factor in our economic and political system must be trained to bear responsibility for the implementation of the tasks and functions in the economic policy and nobody has the right to shift his responsibilities and obligations onto others.

Times are such that they demand that we respect and implement consistently everything that we agree on. I would agree with the speaker in the debate who said that there is no place in our ranks for those who do not believe in the creative force of the working and people's masses, who hesitate about the directions of our action and, in particular, those who do not implement their tasks and obligations.

With this session we are entering a new phase of greater differentiation inside the League of Communists, the phase of checking on the implementation as well as nonimplementation of tasks, and thus the battle will be waged in the League of Communists itself in our ranks, in order that we might enjoy prestige and the trust of our people, that we are capable not only of talking but also of changing the existing situation.

We are entering the phase of change and of greater responsibility for the implementation of the established policy, for the greater use of the principle of democratic centralism as the means given to us by the League of Communists and which we -- I must state this -- are using little in practice. But the LCY program states: "The basic principle by which the LCY is guided in its work with respect to organs of power and organs of social self-management is not to command, but to develop activities and initiatives of citizens as well as for League of Communists members to set a personal example in carrying out the tasks of socialist construction, a personal example in the struggle for the protection of the interests of the community, and in developing new socialist relations among people."